

# George Municipality

## Budget 2014/15 to 2016/17

Medium Term Revenue and  
Expenditure Framework

**31 March 2014**



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## Glossary

<b>Adjustments Budget</b> – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget Related Policy</b> – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
<b>Capital Expenditure</b> - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
<b>Cash flow statement</b> – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
<b>Equitable Share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>Fruitless and wasteful expenditure</b> – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
<b>GFS</b> – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
<b>GRAP</b> – Generally Recognised Accounting Practice. The new standard for municipal accounting.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality
<b>KPI's</b> – Key Performance Indicators. Measures of service output and/or outcome.
<b>MFMA</b> – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.
<b>MTREF</b> – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
<b>Operating Expenditure</b> – Spending on the day to day expenses of the Municipality such as salaries and wages.
<b>Rates</b> – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
<b>Strategic Objectives</b> – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Unauthorised expenditure</b> – Generally, spending without, or in excess of, an approved budget.
<b>Virement</b> – A transfer of budget.
<b>Virement Policy</b> - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget is divided, usually at directorate / department level.

## **Part 1 – Annual Budget**

### **1.1 Mayoral Budget Speech**

The budget speech is attached as a separate document.

### **1.2 - Council Resolutions**

On 31 March 2014 the Council of George Municipality will table the draft annual budget for the year 2014/15. The following draft resolutions are contained in item 4.2 to the agenda of the Special Council meeting to be held on 31 March 2014 at 14h00:

(a) that the following draft policies be approved:

- Customer Care, Credit Control and Debt Collection Policy;
- Property Rates Policy;
- Tariff Policy,
- Petty Cash Policy;
- Indigent Policy;
- Virement Policy;
- Cash Management and Investment Policy;
- Travel & Subsistence Policy;
- Supply Chain Management Policy;
- PPPFA Policy;
- Grant-In-Aid Policy;
- Asset Management Policy;
- Funding Borrowing & Reserve Policy.

(b) that the draft annual budget for the financial year 2014/15 and indicative outer years 2015/16 and 2016/17 be approved as set-out:

- (i) Capital expenditure by project as contained in annexure "A" to the agenda;
- (ii) Capital funding by source as contained in annexure "A" to the agenda;
- (iii) Operating revenue by source as contained in Table A4 of the report;
- (iv) Operating expenditure by type as contained in Table A4 of the report;

(c) that property rates as reflected in the report be imposed for the budget year 2014/15;

(d) that tariffs and services charges as reflected in the formal tariff list be approved for the budget year 2014/15;

(e) that the draft Service Delivery and Budget Implementation Plan (SDBIP) be approved for the budget year 2014/15 as contained in annexure "B" to the agenda;

(f) that the capital funding, both internal and external funding, be secured prior to the commencement of any new capital project;

- (g) that the draft annual budget documentation for 2014/15 – 2016/17 as outlined in the budget regulations be submitted to National and Provincial Treasury.

### 1.3 – Budget 2013/14 Mid-year Review and adjustments budget

The following table shows the original and adjustments budget for 2013/14.

<b>R'000</b>	<b>Original Budget 2013/14</b>	<b>MYR Adjusted Budget 2013/14</b>	<b>Difference</b>
Capital	R251 024	R374 569	R123 545
Operating Income	R1 118 817	R1 179 811	-R60 994
Operating Expenditure	R1 173 924	R1 268 065	R94 141

The 2013/14 adjustments budget was taken into account in the preparation of the 2014/15 MTREF. In particular, the capital budget must be set at a level that is realistic in terms of the capacity to deliver and the ability to fund.

### 1.4 – Executive Summary

The Budget Committee was confronted with numerous challenges during the budget process. The following had an impact:

- The continued negative effect of the economic downturn;
- The funding constraints with regards to the funding of the Capital Budget;
- The fact that George Municipality is “over borrowed”;
- The impact that the appeals process had on the rates basis and subsequent income;
- Nersa’s directive that bulk purchases will increase by 8.06% for municipalities and municipal electricity tariff increase should not exceed 7.39%.

The 2013/14 adjustments budget in February 2014 again proved that the ability of Council to reduce costs is limited due to the fact that the fixed cost component of the operating budget exceeds the variable costs by far. The adjustments budget nonetheless defined the basis for the draft 2014/15 budget.

Salaries, depreciation, interest on external loans and bulk purchases of electricity absorbs ±66% of the budget. Service delivery will be severely affected by reducing the variable costs.

In spite of the abovementioned challenges, the Budget Committee managed to restrict all tariff increases to single digit increases with an average of 7,5%.

### George Integrated Public Transport Network (GIPTN)

This Municipality aims to introduce a reliable, affordable, scheduled public transport service. The first services are scheduled to commence in 2015 and the contract with the Operating Company is nearing finalisation.

The introduction of this service requires that the fare structure for George be included in the tariffs list and that the approved fare structure be gazetted. The proposed tariffs will be finalised once the contract between Government (George Municipality and the Western Cape Department Transport and Public Works) and the Operating Company has been finally concluded.

The following municipal processes are included within the GIPTN project that needs to be managed to meet the project deadline:

- Legislatively required approvals from Council
- Legislatively required public comment processes
- Progress updates to Mayoral Planning, Mayco and Council
- Supply chain management processes for contracting (on-going)
- National grant funding requires milestones for coming year
- Transfer of PTI/PTNO funds contingent on reaching milestones
- High-level milestones being finalised for submission to NT for payment schedule
- Unspent grant funding is not rolled over i.e. use it or lose it. Additional funding contingent on reaching milestones and achieving spending

### **Key Milestones of the GIPTN project:**

The following key project milestones have been set for the project:

- |   |                                |
|---|--------------------------------|
| ▪ Branding Approval                         | - Complete                     |
| ▪ Position of Bus Stops                     | - Nearing completion           |
| ▪ Construction Bus Stops (650)              | - Progressing well             |
| ▪ Operator Contract – Council Approval      | - October 2013                 |
| ▪ Vehicle Purchase – Place order            | - March 2014                   |
| ▪ Prepare buses and depots                  | - March – Dec 2014             |
| ▪ Fare Collection and Management            | - Appointment through Province |
| ▪ Auxiliary contracts - Call centre (SLA's) | - April to June 2014           |
| ▪ Infrastructure                            | - On-going                     |
| ▪ Operations, Oversight and Reporting       | - April 2014 and on-going      |
| ▪ Vehicle Operating Company                 | Established                    |
| Training, Corporation establishment         | - April 2014 and on-going      |

It must be specifically noted that the establishment of the GIPTN project is running at a tight time schedule. National Treasury (NT) has set strict conditions for all IPTN Grant funded projects where all unspent grant funding is not allowed to be rolled over, which means “use it or lose it”.



While however this may be regarded as a project risk, it must also be noted that this may be to the advantage to local authorities that manage their projects effectively.

Where funding can be shifted by NT to other municipalities where their transport projects are ahead of schedule or where the project could be re-scheduled/ moved forward if additional funding is made available through an adjustments budget of NT. George Municipality received an additional R 85 million in the 2013/14 National adjustments budget. This means that the initial fleet can be purchased in the 2013/14 and 2014/15 financial years with possible maintenance period extension in outer years.

Initially it was anticipated, due a lack of sufficient funding, that the George Municipality would have to enter into a loan agreement to fund the initial fleet. With the additional funding allocation this is no longer necessary.

### **MFMA Circulars**

National Treasury sent out MFMA Circular No. 70 on 04 December 2013 providing guidance to municipalities on their 2014/15 budgets and Medium Term Revenue and Expenditure Framework (MTREF). Circular 70 was followed up by Circular no. 72 dated 17 March 2014. Circular No. 70 & 72 reminds us of the key focus areas for the 2014/15 budget process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 58, 59, 66 and 67. It is essential reading material in order to understand the background to this budget.

National Treasury has also set out the requirements for funding the budget and producing a credible budget.

### **Funding the Budget**

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance (Income Statement), the Budgeted Statement of Financial Position (Balance Sheet) and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability and to ensure that the budget is funded.

### A Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

### Budgeted Deficit versus Depreciation

The depreciation budget for the MTREF, calculated on the existing assets, is R111 411 588 for 2014/15, R106 481 421 and R102 968 264 respectively for the two outer years.

Depreciation is calculated by using the straight line method over the life-span of the asset. The assets in the asset register are funded from different funding sources and the depreciation of these assets is also treated differently.

The table below is a summary of the total depreciation broken up in the different funding source categories

Funding Source	DEPRECIATION		
	2014/15 B	2015/16 R	2016/17 R
Accumulated surplus	R5 374 833	R5 387 836	R5 065 692
Capital Reserve	R8 632 979	R7 840 681	R7 484 093
Conditional Grants	R28 956 426	R28 848 730	R28 372 397
Public Contributions	R3 371 700	R3 247 813	R2 959 341
Donations	R355 289	R356 262	R355 288
External loans	R38 698 960	R35 358 814	R33 603 252
CCR – own funds	R26 021 401	R25 441 285	R25 128 201
<b>TOTAL</b>	<b>R111 411 588</b>	<b>R106 481 421</b>	<b>R102 968 264</b>

George Municipality has used the “cost model” to implement GRAP 17. The fact that George Municipality has created 75% of its depreciable asset base in the last ten years has increased the depreciation cost beyond normal tariff increases.

As example a filtration plant was constructed with funds from the emergency drought relief grant. A capital asset of ± R95 million was created with an estimated life span of 20 years. The impact on the depreciation budget was an additional depreciation to the amount of R4.75 million per year.

It is impossible to give this burden through to the inhabitants of George. To soften the impact of this depreciation a “claw back” of depreciation is done during the budget process as part of the tariff setting. This inevitably leads to a budgeted deficit on the Budgeted Statement of Financial Performance.

This position has been exacerbated by the extensive funding of capital projects from External Loans (EFF). George Municipality is budgeting for interest and redemption repayments to the value of ±R85 million per year for the MTREF.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

### 1.5 – Budget Overview of the 2014/15 MTREF

This section provides an overview of the George Municipality’s 2014/15 to 2016/17 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of George Municipality.

The Municipality’s budget must be seen within the context of the policies and financial priorities of national, provincial and district government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in George. George alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

According to Circular No. 72, the following headline inflation forecasts underpin the national 2014 Budget:

Fiscal Year	2012/13 Actual	2013/14 Estimate	2014/15	2015/16	2016/17
			Forecast		
Headline CPI Inflation	5,6%	5,7%	6,2%	5,9%	5,5%

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macro economic policies, unless it can be shown that external factors impact otherwise.

The budget process in George followed the requirements of the MFMA. A Table of key deadlines was prepared for tabling in Council by the Mayor prior to the end of August 2013.

A Budget Committee was established to examine, review and prioritise budget proposals from departments.

The Draft budget will be tabled on 31 March 2014. The final budget is scheduled to be approved by Council by the end of May 2014.

Over the 3 year period, the Municipality is planning to spend R761,6 million on capital investment for the infrastructure needs of the town. In 2014/15 the capital budget is R252 million. Operating expenditure in 2014/15 is budgeted at R1 215 million.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

**Table 1 Consolidated Overview of the 2014/15 MTREF**

	<b>Adjustments Budget 2013/14 R</b>	<b>Budget Year 2014/15 R</b>	<b>Budget Year 2015/16 R</b>	<b>Budget Year 2016/17 R</b>
Total Operating Revenue	1 464 803 991	1 275 334 291	1 340 993 637	1 412 112 728
Less: Total Operating Expenditure	-1 268 065 342	-1 215 995 632	-1 281 405 343	-1 311 235 355
Less: Appropriations	-196 704 875	-59 289 974	-59 534 871	-101 808 541
Surplus/(Deficit)	33 774	48 686	53 423	68 832
Total Capital Expenditure	374 568 533	252 243 036	266 430 847	242 971 567

## 1.6 – Operating Revenue Framework

For George Municipality to continue maintaining / improving the quality of services provided to its citizens it needs to generate the required revenue.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines, Circular No. 70 & 72;
- The municipality's Property Rates Policy;
- The municipality's Credit Control and Indigent Policy and rendering of free basic services;
- Tariff policy and structure;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Revenue enhancement plan.

The following table is a summary of the 2014/15 MTREF (classified by main revenue source):

**Table 2 Summary of revenue classified by main revenue sources**

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Revenue By Source											
Property rates	2	118,881	127,788	143,438	159,097	154,105	154,105	154,105	164,592	174,386	184,773
Property rates - penalties & collection charges		1,330	1,218	3,845	5,212	5,212	5,212	5,212	5,509	5,812	6,120
Service charges - electricity revenue	2	310,240	373,785	413,336	444,276	441,118	441,118	441,118	477,317	502,140	532,268
Service charges - water revenue	2	67,306	66,393	81,477	86,723	85,853	85,853	85,853	93,596	95,736	101,241
Service charges - sanitation revenue	2	46,462	52,176	54,625	56,220	64,800	64,800	64,800	60,245	59,853	62,689
Service charges - refuse revenue	2	30,484	35,101	37,420	38,736	40,593	40,593	40,593	44,379	44,505	46,838
Service charges - other		13	331	347	373	373	373	373	396	419	444
Rental of facilities and equipment		1,829	2,103	1,991	2,192	2,186	2,186	2,186	2,289	2,426	2,571
Interest earned - external investments		14,773	14,715	13,781	13,872	17,672	17,672	17,672	18,732	19,856	21,047
Interest earned - outstanding debtors		4,296	3,573	3,644	4,305	4,305	4,305	4,305	4,392	4,656	4,936
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		13,149	15,057	15,576	22,499	15,755	15,755	15,755	16,700	17,702	18,764
Licences and permits		2,106	2,451	2,508	2,454	2,454	2,454	2,454	2,601	2,758	2,923
Agency services		5,427	5,751	6,291	6,534	6,534	6,534	6,534	6,586	6,982	7,400
Transfers recognised - operational		137,138	153,465	149,611	262,438	323,535	323,535	323,535	236,512	267,746	244,560
Other revenue	2	13,945	16,859	15,974	13,886	15,316	15,316	15,316	15,398	16,333	17,700
Gains on disposal of PPE		-	-	296	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		767,379	870,766	944,159	1,118,817	1,179,811	1,179,811	1,179,811	1,149,245	1,221,308	1,254,276
Transfers recognised - capital	6	72,168	50,035	82,905	157,542	276,173	276,173	276,173	118,340	111,407	150,027
Contributions recognised - capital		11,555	12,149	8,564	6,620	8,820	8,820	8,820	7,750	8,279	8,810
Contributed assets		-	29	749	-	-	-	-	-	-	-
		851,103	851,103	851,103	851,103	851,103	851,103	851,103	851,103	851,103	851,103
Surplus/(Deficit) after capital transfers & contributions											

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table takes into account revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality and also capital transfers and contributions.

<b>Revenue By Source</b>			
<b>R thousand</b>	<b>Adjusted Budget 2013/14</b>	<b>Budget Year 2014/15</b>	<b>% Increase</b>
Property rates	154,104,791	164,592,106	7%
Property rates - penalties & collection charges	5,212,370	5,509,120	6%
Service charges - electricity revenue	441,118,277	477,316,917	8%
Service charges - water revenue	85,853,248	93,595,976	9%
Service charges - sanitation revenue	64,800,280	60,245,371	-7%
Service charges - refuse revenue	40,593,055	44,378,730	9%
Service charges - other	373,130	395,530	6%
Rental of facilities and equipment	2,185,723	2,288,900	5%
Interest earned - external investments	17,671,690	18,732,000	6%
Interest earned - outstanding debtors	4,304,890	4,392,430	2%
Dividends received	-	-	0%
Fines	15,754,653	16,699,970	6%
Licences and permits	2,454,160	2,601,470	6%
Agency services	6,533,520	6,586,340	1%
Transfers recognised - operational	323,535,120	236,511,591	-27%
Other revenue	24,136,023	23,148,286	-4%
Gains on disposal of PPE	-	-	0%
<b>Total Revenue</b>	<b>1,188,630,930</b>	<b>1,156,994,737</b>	<b>-3%</b>
<b>Expenditure By Type</b>			
<b>R thousand</b>	<b>Adjusted Budget 2013/14</b>	<b>Budget Year 2014/15</b>	<b>% Increase</b>
Employee related costs	294,095,653	308,228,904	5%
Remuneration of councillors	16,952,094	18,138,774	7%
Debt impairment	22,000,000	20,000,000	-9%
Depreciation & asset impairment	113,253,758	111,411,588	-2%
Finance charges	50,785,868	47,984,398	-6%
Bulk purchases	299,834,940	324,001,640	8%
Other materials	235,400	267,820	14%
Contracted services	270,356,018	181,721,705	-33%
Collection costs	4,200,000	4,325,000	3%
Transfers and grants	2,293,000	3,043,000	33%
Other expenditure	194,058,611	196,872,802	1%
Loss on disposal of PPE	-	-	0%
<b>Total Expenditure</b>	<b>1,268,065,342</b>	<b>1,215,995,632</b>	<b>-4%</b>
Transfers recognised - capital	276,173,061	118,339,554	-57%
Appropriations	196,704,875	59,289,974	-70%
<b>Surplus/(Deficit) for the year</b>	<b>33,774</b>	<b>48,686</b>	<b>44%</b>

The following table gives a breakdown of the various grants allocated to George Municipality over the medium term:

**Table 3 Grants Allocation**

<b>Local government allocations 2014/15 – 2016/17</b>			
	<b>Medium Term Estimates</b>		
	<b>2014/15 R'000</b>	<b>2015/16 R'000</b>	<b>2016/17 R'000</b>
<b>National Grants</b>	<b>269 814</b>	<b>279 674</b>	<b>286 495</b>
Equitable share	92 397	100 129	109 720
Infrastructure (MIG)	37 946	39 183	40 832
Electrification Programme (INEP)	8 900	14 900	20 000
Financial Management (FMG)	1 450	1 500	1 700
Municipal Systems Improvement (MSIG)	934	967	1 018
Public Transport Network Operations Grant	60 449	54 311	11 769
Public Transport Infrastructure Grant	61 805	65 684	98 456
Expanded Public Works Programme Incentive Grant (EPWP)	2 933	-	-
Infrastructure Skills Development (IDG)	3 000	3 000	3 000
<b>Provincial Grants</b>	<b>72 501</b>	<b>105 737</b>	<b>115 133</b>
Human Settlement Development Grant	26 557	55 108	65 725
Community Development Workers (CDW's)	88	93	98
Library Services	10 349	9 472	7 920
Maintenance & Contribution of Transport Infrastructure	8 186	-	-
Integrated Transport Planning	600	600	600
GIPTN – Operations	25 000	40 230	40 544
GIPTN – Infrastructure	1 500	-	-
Thusong Centre Grant	221	234	246
<b>Total Allocations</b>	<b>342 315</b>	<b>385 411</b>	<b>401 628</b>

**SERVICE CHARGES AND MISCELLANEOUS TARIFFS:**

The following tariff increases are proposed:

- Electricity : 7.39%
- Water : 7%
- Rates : 7%
- Refuse : 9%
- Sewerage : 7%
- Other (miscellaneous) : 6%

**TARIFF CHANGES SUGGESTED FOR 2014/15****Rates Tariffs**

The General Valuation Roll came into effect during the 2012/13 financial year. The appeals processes against the Valuation roll had a profound negative impact on the rates levied during 2013/14. The implications are listed below:



Value of the General Valuation Roll as at 01/07/2013	:	R38 621 389 200
Less value of appeals processes and		
Value supplementary rolls for 2012/13	:	<u>R 2 508 350 102</u>
Valuation of General Valuation Roll as at 30/06/2013	:	<b>R36 113 039 098</b>
Less value of First Supplementary Roll for 2013/14	:	<u>R 10 987 740</u>
Total	:	<b><u>R36 102 051 358</u></b>

The outcome of the Second Supplementary Roll that is currently in process has not been calculated yet.

The effect of the decrease in the value in the General Valuation Roll is that the income for rates 2013/14 decreases with amount of approximately R6 162 941.

An average increase of 7% in rates income will be raised for 2014/15.

### **Water Tariffs**

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

During the tariff modelling exercise it was acknowledge that the basic charge for water does not cover the basic cost for the water service and that the structure needs to be changed.

A tariff increase of 7% from 1 July 2014 for water is proposed. In addition 6 kℓ water per 30-day period will again be granted free of charge to all households. The tariff structure is designed to charge higher levels of consumption at a higher rate per kilolitre.

The tariff structures of the DMA and George are different. The 7% increase in the current tariff will apply to the DMA area as well. George Municipality is reassessing the basic charge for water service to ensure that it is cost reflective of the fixed costs components needed to deliver water to the consumers.



A summary of the proposed tariffs for households (residential) and non-residential in George are as follows:

**Table 5: Proposed Water Tariffs**

CATEGORY	CURRENT TARIFFS 2013/14	PROPOSED TARIFFS 2014/15
	Rand per kℓ	Rand per kℓ
<b>RESIDENTIAL</b>		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	10.29	11.01
(iii) 12 to 20 kℓ per 30-day period	11.84	12.67
(iv) 20 to 30 kℓ per 30-day period	14.20	15.19
(v) 30 to 50 kℓ per 30-day period	17.05	18.24
(vi) 50 kℓ per 30-day period	19.44	20.80
<b>NON-RESIDENTIAL</b>		
(i) 0 to 6 kℓ per 30-day period	10.29	11.01
(ii) 6 to 12 kℓ per 30-day period	10.29	11.01
(iii) 12 to 20 kℓ per 30-day period	11.84	12.67
(iv) 20 to 30 kℓ per 30-day period	14.20	15.19
(v) 30 to 50 kℓ per 30-day period	15.58	16.67
(vi) 50 kℓ per 30-day period	17.05	18.24

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

**Table 6: Comparison between current water charges and increases (Domestic)**

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	156.44	167.39	10.95	7%
30	298.50	319.40	20.90	7%
40	469.03	501.86	32.83	7%
50	639.57	684.34	44.77	7%
80	1,222.87	1308.47	85.60	7%
100	1,611.76	1724.58	112.82	7%

A summary of the proposed tariffs for households (residential) and non-residential in the DMA area is as follows:

**Table 7: Comparison between current water charges and increases in the DMA area (Domestic)**

CATEGORY	CURRENT TARIFFS 2013/14	PROPOSED TARIFFS 2014/15
	Rand per kℓ	Rand per kℓ
<b>RESIDENTIAL</b>		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	4.57	4.89
(iii) 12 to 20 kℓ per 30-day period	5.25	5.62
(iv) 20 to 30 kℓ per 30-day period	6.31	6.75
(v) 30 to 50 kℓ per 30-day period	7.56	8.09
(vi) 50 kℓ per 30-day period	8.63	9.23
<b>NON-RESIDENTIAL</b>		
(i) 0 to 6 kℓ per 30-day period	4.57	4.89

CATEGORY	CURRENT TARIFFS 2013/14	PROPOSED TARIFFS 2014/15
	Rand per kℓ	Rand per kℓ
(ii) 6 to 12 kℓ per 30-day period	4.57	4.89
(iii) 12 to 20 kℓ per 30-day period	5.25	5.62
(iv) 20 to 30 kℓ per 30-day period	6.31	6.75
(v) 30 to 50 kℓ per 30-day period	6.91	7.39
(vi) 50 kℓ per 30-day period	7.57	8.10

### Electricity Tariffs

Although Eskom has announced a general 7.39 % tariff increase for municipalities, it was noted that they have restructured their tariffs as from 1 July 2014.

The proposed introduction of the Inclining Block Tariffs for domestic / residential customers that NERSA proposed to be implemented by Municipalities as from 01 July 2011 is not supported, as it has more disadvantages than advantages for the financial sustainability of the service and the municipality.

A written submission has been submitted to NERSA to oppose the implementation of Inclining Block Tariffs, which response on our proposal is still awaited. This matter should be finalised before the approval of the final budget.

Considering the Eskom increases, the consumer tariff will be increased by 7.39% to offset the additional bulk purchase cost from 1 July 2014.

The following table shows the impact of the proposed increases in electricity tariffs on the domestic customers:

**Table 8: Comparison between current electricity charges and increases Domestic – Single phase consumer: one part Pre-Paid (VAT exclusive)**

Monthly consumption kWh	Current amount Payable 125.47 c / unit R	Proposed amount Payable 134.74 c / unit R	Difference (Increase) R	Percentage change
100	125.47	134.74	9.27	7.39%
250	313.67	336.85	23.18	7.39%
500	627.34	673.70	46.36	7.39%
750	941.01	1,010.55	69.54	7.39%
1 000	1,254.68	1,347.40	92.72	7.39%
2 000	2,509.35	2,694.79	185.44	7.39%

**Table 9: Indigent – single phase consumers: One part Pre-paid meter (VAT exclusive)**

Monthly consumption kWh	Current amount Payable 86.77 c / unit R	Proposed amount Payable 93.18 c / unit R	Difference (Increase) R	Percentage change
100	43.38	46.59	3.21	7.39%
250	173.53	186.35	12.82	7.39%
500	390.44	419.29	28.85	7.39%

Indigent households will again receive the 70kWh electricity free.

### Sanitation tariffs

A tariff increase of 7% for sanitation from 1 July 2014 is proposed.

The following table compares the current and proposed tariffs:

**Table 9: Comparison between current sanitation charges and increases:**

<b>CURRENT TARIFF 2013/14 Rand per year</b>	<b>PROPOSED TARIFF 2014/15 Rand per year</b>	<b>DIFFERENCE R</b>	<b>% INCREASE</b>
1,686.60	1,804.66	118.06	7.00%

### Waste Removal tariff

A 9% increase in the waste removal tariff is proposed from 1 July 2014.

**Table 10: Comparison between current waste fees and increases for a single dwelling-house**

<b>CURRENT TARIFF 2013/14 Rand per year</b>	<b>PROPOSED TARIFF 2014/15 Rand per year</b>	<b>DIFFERENCE R</b>	<b>% INCREASE</b>
1,335.00	1,455.15	120.15	9.00%

**Table 11: Comparison between current waste removal fees and increases**

	<b>CURRENT TARIFFS 2013/14</b>		<b>PROPOSED TARIFFS 2014/15</b>	
Tariff per container per month or part of a month: Areas serviced by means of: (Tariff is multiplied by the number of service rounds per week and the number of containers.)	Per litre (per service) (R)	Per month (R)	Per litre (per service) (R)	Per month (R)
7 X 85l container (black bag) removed once a week	0.0468	111.24	0.0505	120.14
1 x 240l container removed once a week	0.1898	182.16	0.2050	196.73
2 x 240l container removed 3 times a week	0.2431	700.02	0.2625	756.02

The cost of establishing of a composting plant, the closure of the dumping site, the establishing of a landfill site in Uniondale and the transport of household waste to PETRO SA, are putting a tremendous pressure on the financial viability of the

waste removal service, hence the 9% increase in tariff. Urgent strategic decisions are needed in this regard.

### **Overall impact of tariff increases on households**

The following table shows the overall expected impact of tariff increases on a large and small household, as well as an indigent household receiving free basic services.

#### **Table 12: MBRR Table SA14 – Household bills**

It needs to be noted that the majority of indigent households in George are situated in the affordable house areas. The valuation of these houses is below R100,000 and due to rebates do not pay property rates.

Indigent households receive a discount on their services equal to the basic charge for water plus 6kl water free, 70kwh electricity units, the monthly levy for refuse and sanitation and the asset renewal levy of R25 per month.

# George Municipality – 2014/15 Draft Annual Budget and MTREF

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15 % incr.	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Rand/cent											
<u>Monthly Account for Household - 'Middle Income Range'</u>	1										
Rates and services charges:											
Property rates		327.00	346.65	376.05	247.29	247.29	247.29	7.0%	264.59	283.13	302.95
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		863.87	1,039.88	1,178.10	1,254.70	1,254.70	1,254.70	7.4%	1,347.40	1,447.00	1,553.90
Water: Basic levy		47.52	50.37	54.40	58.75	58.75	58.75	7.0%	62.86	67.89	71.97
Water: Consumption		241.46	255.92	276.36	298.46	298.46	298.46	7.0%	319.32	341.71	365.58
Sanitation		113.68	120.50	130.14	140.55	140.55	140.55	7.0%	150.39	160.92	172.18
Refuse removal		89.92	95.33	103.00	111.25	111.25	111.25	9.0%	121.26	132.18	144.07
Other		–	–	–	–	–	–	–	25.00	26.75	28.62
sub-total		1,683.45	1,908.65	2,118.05	2,111.00	2,111.00	2,111.00	8.5%	2,290.82	2,459.58	2,639.27
VAT on Services		189.90	218.68	243.88	260.92	260.92	260.92	8.7%	283.68	309.46	333.66
Total large household bill:		1,873.35	2,127.33	2,361.93	2,371.92	2,371.92	2,371.92	8.5%	2,574.50	2,769.04	2,972.93
% increase/decrease			13.6%	11.0%	0.4%	–	–		8.5%	7.6%	7.4%
<u>Monthly Account for Household - 'Affordable Range'</u>	2										
Rates and services charges:											
Property rates		65.40	69.33	75.21	175.09	175.09	175.09	7.0%	187.34	200.47	214.50
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		421.36	507.21	589.05	627.35	627.35	627.35	7.4%	673.70	723.50	776.95
Water: Basic levy		47.52	50.37	54.40	58.75	58.75	58.75	7.0%	62.86	67.26	71.97
Water: Consumption		184.01	195.02	210.61	227.46	227.46	227.46	7.0%	243.37	227.46	243.37
Sanitation		113.68	120.50	130.14	140.55	140.55	140.55	7.0%	150.39	160.92	172.18
Refuse removal		89.92	95.33	103.00	111.25	111.25	111.25	9.0%	121.26	132.18	144.07
Other		–	–	–	–	–	–	#DIV/0!	25.00	26.75	28.62
sub-total		921.89	1,037.76	1,162.41	1,340.45	1,340.45	1,340.45	9.2%	1,463.92	1,538.54	1,651.66
VAT on Services		119.91	135.58	152.21	163.15	163.15	163.15	9.5%	178.72	194.41	209.52
Total small household bill:		1,041.80	1,173.34	1,314.62	1,503.60	1,503.60	1,503.60	9.2%	1,642.64	1,732.95	1,861.18
% increase/decrease			12.6%	12.0%	14.4%	–	–		9.2%	5.5%	7.4%
				-0.05	0.19	-1.00	-				
<u>Monthly Account for Household - 'Indigent'</u>	3										
<u>Household receiving free basic services</u>											
Rates and services charges:											
Property rates		–	–	–	–	–	–	#DIV/0!	–	–	–
Electricity: Basic levy		–	–	–	–	–	–	#DIV/0!	–	–	–
Electricity: Consumption		35.26	42.44	244.41	242.80	242.80	242.80	7.5%	260.90	303.70	326.13
Water: Basic levy		47.52	50.37	54.40	–	–	–	–	–	–	–
Water: Consumption		–	–	144.86	156.46	156.46	156.46	7.0%	167.42	156.46	167.42
Sanitation		113.68	120.50	130.14	140.55	140.55	–	–	–	–	–
Refuse removal		89.92	95.33	103.00	111.25	111.25	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
sub-total		286.38	308.64	676.81	651.06	651.06	399.26	(34.2%)	428.32	460.16	493.55
VAT on Services		40.09	43.21	94.75	99.40	99.40	99.40	11.0%	110.30	118.63	125.89
Total small household bill:		326.47	351.85	771.56	750.46	750.46	498.66	(28.2%)	538.62	578.79	619.44
% increase/decrease			7.8%	119.3%	(2.7%)	–	(33.6%)		8.0%	7.5%	7.0%

## References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

## 1.7 – Operating Expenditure Framework

The expenditure framework for the 2014/15 budget and MTREF is informed by the guidelines of National Treasury.

The operating expenditure decreased from R1 268 million (2013/14) to R1 216 million in 2014/15.

The following table is a summary of the 2014/15 MTREF (classified by main expenditure types):

**Table 4 Summary of operating expenditure by type**

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Expenditure By Type</b>										
Employee related costs	228,773	248,883	269,126	291,887	294,096	294,096	294,096	308,229	334,025	358,178
Remuneration of councillors	10,691	13,868	14,568	16,952	16,952	16,952	16,952	18,139	19,409	20,767
Debt impairment	27,524	19,558	37,042	22,000	22,000	22,000	22,000	20,000	23,188	24,440
Depreciation & asset impairment	94,577	105,360	106,154	100,225	113,254	113,254	113,254	111,412	106,481	102,968
Finance charges	53,170	57,217	55,451	51,536	50,786	50,786	50,786	47,984	43,694	39,610
Bulk purchases	192,921	244,403	276,691	301,850	299,835	299,835	299,835	324,002	350,116	378,336
Other materials	324	140	135	238	234	234	234	268	282	297
Contracted services	94,627	100,248	93,696	210,362	270,356	270,356	270,356	181,722	193,293	162,746
Transfers and grants	5,124	1,188	1,520	2,318	2,293	2,293	2,293	3,043	3,159	3,294
Other expenditure	137,373	135,848	150,610	176,557	198,260	198,260	198,260	201,198	207,758	220,598
Loss on disposal of PPE	440	11,286	278	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>845,545</b>	<b>937,999</b>	<b>1,005,269</b>	<b>1,173,924</b>	<b>1,268,065</b>	<b>1,268,065</b>	<b>1,268,065</b>	<b>1,215,996</b>	<b>1,281,405</b>	<b>1,311,235</b>

The overall decrease of 4% can be attributed to increases and decreases on several expenditure components.

Reasons for significant cost variances:

- Debt impairment – The calculation is based on the 2013/14 collection ratios and also the current economic climate in the George.
- Bulk purchases – The increase is based on the tariff for bulk purchases as set out by NERSA.
- Contracted Services – The budget for contracted services has decreased from R270,3 million (2013/14) to R181,7million (2014/15) due to the GIPTN, Housing and N2/York Bridge Widening projects.
- Finance charges declined because the redemption portion of the loans is increasing versus the interest payments that are declining.

**Table 5 Repairs and maintenance per asset class**

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>EXPENDITURE OTHER ITEMS</b>									
<u>Depreciation &amp; asset impairment</u>	94,577	105,360	106,154	100,225	113,254	113,254	111,412	106,481	102,968
<u>Repairs and Maintenance by Asset Class</u>	55,364	52,814	63,725	70,758	72,303	72,303	80,730	82,718	88,404
<i>Infrastructure - Road transport</i>	19,301	17,490	19,992	19,752	19,396	19,396	21,014	22,678	24,480
<i>Infrastructure - Electricity</i>	6,688	5,029	5,604	8,382	8,332	8,332	8,918	9,602	10,303
<i>Infrastructure - Water</i>	3,506	3,706	6,051	6,295	6,412	6,412	6,920	7,448	8,003
<i>Infrastructure - Sanitation</i>	9,648	11,039	14,390	14,725	16,445	16,445	17,772	19,153	20,637
<i>Infrastructure - Other</i>	1	45	56	210	210	210	210	221	233
Infrastructure	39,145	37,309	46,093	49,364	50,795	50,795	54,834	59,103	63,656
Community	3,940	3,057	3,018	4,628	3,960	3,960	8,109	4,742	4,929
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	12,279	12,448	14,614	16,766	17,548	17,548	17,787	18,873	19,819
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>149,941</b>	<b>158,173</b>	<b>169,878</b>	<b>170,984</b>	<b>185,556</b>	<b>185,556</b>	<b>192,142</b>	<b>189,199</b>	<b>191,373</b>

## 1.8 – Capital Budget

The capital budget decreased from R374,6 million (2013/14) to R252 million in 2014/15.

The Budget Committee went through several stages of prioritising the capital budget to contain the budget within the available funding.

This draft capital budget has been compiled with due consideration to the direct impact that it would have on the operating budget and our cash position where projects are to be funded from either internal sources or from external borrowings.

With the current long term borrowing commitments on the operating budget it was decided to limit the capital projects linked to external funding. The amount of R13,5 million allocated to external funding relates to projects indicated as EFF on the capital schedules.

The draft capital budget reflects the following budget allocation to the various Departments and reflects the strategic priorities outlined in the IDP

**Table 6 Capital funding by source**

Vote Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Funded by:</b>										
National Government	60,775	38,703	40,616	96,446	223,377	223,377	223,377	114,841	111,407	132,483
Provincial Government	10,851	11,332	42,289	30,406	57,514	57,514	57,514	16,743	2,000	–
District Municipality	–	–	–	–	1,000	1,000	1,000	6,000	2,826	–
Other transfers and grants	542	(0)	(0)	3,200	4,388	4,388	4,388	51,681	28,386	6,000
<b>Transfers recognised - capital</b>	<b>72,168</b>	<b>50,035</b>	<b>82,905</b>	<b>130,051</b>	<b>286,279</b>	<b>286,279</b>	<b>286,279</b>	<b>189,265</b>	<b>144,619</b>	<b>138,483</b>
<b>Public contributions &amp; donations</b>	<b>–</b>	<b>29</b>	<b>749</b>	<b>6,000</b>	<b>17,759</b>	<b>17,759</b>	<b>17,759</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Borrowing</b>	<b>47,704</b>	<b>20,291</b>	<b>–</b>	<b>64,580</b>	<b>19,648</b>	<b>19,648</b>	<b>19,648</b>	<b>13,505</b>	<b>11,040</b>	<b>7,305</b>
<b>Internally generated funds</b>	<b>16,762</b>	<b>39,340</b>	<b>36,306</b>	<b>50,393</b>	<b>50,882</b>	<b>50,882</b>	<b>50,882</b>	<b>49,473</b>	<b>110,772</b>	<b>97,184</b>
<b>Total Capital Funding</b>	<b>136,635</b>	<b>109,695</b>	<b>119,961</b>	<b>251,024</b>	<b>374,569</b>	<b>374,569</b>	<b>374,569</b>	<b>252,243</b>	<b>266,431</b>	<b>242,972</b>

### Internal Funding

One of the main challenges impacting on the capital budget was the expected contributions to the Capital Replacement Reserve (CRR) for the current year. This situation also accentuated the fact that emphasis must be put on expanding the current income base (sources) and exploring other income sources. The Budget Committee further emphasised the need for revenue enhancement measures to broaden the income base.

A contribution of R40 million was made to the CRR in February 2014 from the working capital.

Council has introduced a specific line item in the 2013/14 budget to specifically budget for a contribution to the CRR. R4,3 million was budgeted for the current year. This amount will increase to R8,17 million in the 2014/15 financial year.

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the CRR will be managed according to the available cash.

To facilitate this process the Budget Committee has prioritized the draft Capital Budget and capped the projects funded from the CRR to R49,473 million.

### External Funding

The Budget Committee has reconfirmed its commitment not to rely on external funding to fund the capital budget. The planned provision made within this budget for capital expenditure financing from obtaining external funds for 2014/15 amounts to R13.5 million and will be used to purchase vehicles.



As Council is opposed to taking up any further external loans because of our already high loan debt, high capital charges (interest and redemption) and our current available cash reserve (CRR) position we need to reconsider the funding of the capital budget before the finalisation of the 2014/15 budget.

The Budget Committee has carried forward a council decision taken with the approved budget of 2012/2013 to finance vehicles through external funding, where vehicles will be leased and that such finance lease payments be funded from savings in the operating budget by replacing the current hired vehicles.

The following table provides a breakdown of the budgeted capital expenditure by classification:

**Table 7 Capital expenditure by GFS classification**

Vote Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Capital Expenditure - Standard</b>										
<i>Governance and administration</i>	876	284	712	8,175	9,424	9,424	9,424	8,497	3,012	1,217
Executive and council	–	84	238	2,600	5,757	5,757	5,757	2,400	100	100
Budget and treasury office	720	200	139	780	700	700	700	350	402	57
Corporate services	155	–	335	4,795	2,967	2,967	2,967	5,747	2,510	1,060
<i>Community and public safety</i>	8,671	8,010	9,183	23,653	33,305	33,305	33,305	28,293	48,405	44,122
Community and social services	2,423	2,025	1,228	1,475	2,162	2,162	2,162	4,529	4,830	80
Sport and recreation	1,019	1,512	4,400	8,570	21,912	21,912	21,912	6,764	3,000	3,400
Public safety	512	3,333	2,608	5,865	6,061	6,061	6,061	2,939	18,425	13,562
Housing	4,716	1,141	897	7,743	3,170	3,170	3,170	14,036	22,150	27,080
Health	–	–	50	–	–	–	–	25	–	–
<i>Economic and environmental services</i>	14,123	14,128	24,080	125,330	232,827	232,827	232,827	92,763	110,480	143,186
Planning and development	–	–	–	–	–	–	–	10	–	–
Road transport	14,077	14,121	24,080	124,730	232,207	232,207	232,207	92,683	110,180	143,186
Environmental protection	46	7	–	600	620	620	620	70	300	–
<i>Trading services</i>	112,965	87,273	85,986	93,866	99,012	99,012	99,012	122,690	104,534	54,447
Electricity	55,005	35,613	17,865	18,563	23,315	23,315	23,315	42,240	37,521	12,800
Water	48,494	21,487	30,686	20,453	11,176	11,176	11,176	23,808	23,160	4,770
Waste water management	8,974	30,172	37,089	46,280	60,550	60,550	60,550	44,352	38,773	35,877
Waste management	492	–	347	8,570	3,970	3,970	3,970	12,290	5,080	1,000
<i>Other</i>	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Standard</b>	<b>136,635</b>	<b>109,695</b>	<b>119,961</b>	<b>251,024</b>	<b>374,569</b>	<b>374,569</b>	<b>374,569</b>	<b>252,243</b>	<b>266,431</b>	<b>242,972</b>

## 1.9 – Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

Narrative will only be provided at certain tables to clarify certain aspects otherwise it will be a repetition of what has already been documented..

**Table 8 - A1: Budget Summary**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	120,210	129,006	147,284	164,309	159,317	159,317	159,317	170,101	180,197	190,893
Service charges	454,505	527,786	587,205	626,328	632,738	632,738	632,738	675,933	702,653	743,481
Investment revenue	14,773	14,715	13,781	13,872	17,672	17,672	17,672	18,732	19,856	21,047
Transfers recognised - operational	137,138	153,465	149,611	262,438	323,535	323,535	323,535	236,512	267,746	244,560
Other own revenue	40,753	45,794	46,279	51,870	46,549	46,549	46,549	47,968	50,856	54,295
	767,379	870,766	944,159	1,118,817	1,179,811	1,179,811	1,179,811	1,149,245	1,221,308	1,254,276
<b>Total Revenue (excluding capital transfers and contributions)</b>										
Employee costs	228,773	248,883	269,126	291,887	294,096	294,096	294,096	308,229	334,025	358,178
Remuneration of councillors	10,691	13,868	14,568	16,952	16,952	16,952	16,952	18,139	19,409	20,767
Depreciation & asset impairment	94,577	105,360	106,154	100,225	113,254	113,254	113,254	111,412	106,481	102,968
Finance charges	53,170	57,217	55,451	51,536	50,786	50,786	50,786	47,984	43,694	39,610
Materials and bulk purchases	193,245	244,543	276,826	302,087	300,069	300,069	300,069	324,269	350,398	378,633
Transfers and grants	5,124	1,188	1,520	2,318	2,293	2,293	2,293	3,043	3,159	3,294
Other expenditure	259,964	266,940	281,625	408,919	490,616	490,616	490,616	402,920	424,239	407,785
<b>Total Expenditure</b>	845,545	937,999	1,005,269	1,173,924	1,268,065	1,268,065	1,268,065	1,215,996	1,281,405	1,311,235
<b>Surplus/(Deficit)</b>	(78,166)	(67,233)	(61,109)	(55,108)	(88,255)	(88,255)	(88,255)	(66,751)	(60,097)	(56,959)
Transfers recognised - capital	72,168	50,035	82,905	157,542	276,173	276,173	276,173	118,340	111,407	150,027
Contributions recognised - capital & contributed assets	11,555	12,179	9,313	6,620	8,820	8,820	8,820	7,750	8,279	8,810
	5,558	(5,019)	31,109	109,055	196,739	196,739	196,739	59,339	59,588	101,877
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	5,558	(5,019)	31,109	109,055	196,739	196,739	196,739	59,339	59,588	101,877
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	136,635	109,695	119,961	251,024	374,569	374,569	374,569	252,243	266,431	242,972
Transfers recognised - capital	72,168	50,035	82,905	130,051	286,279	286,279	286,279	189,265	144,619	138,483
Public contributions & donations	-	29	749	6,000	17,759	17,759	17,759	-	-	-
Borrowing	47,704	20,291	-	64,580	19,648	19,648	19,648	13,505	11,040	7,305
Internally generated funds	16,762	39,340	36,306	50,393	50,882	50,882	50,882	49,473	110,772	97,184
<b>Total sources of capital funds</b>	136,635	109,695	119,961	251,024	374,569	374,569	374,569	252,243	266,431	242,972
<b>Financial position</b>										
Total current assets	531,862	530,714	574,023	503,096	601,784	601,784	601,784	751,205	756,963	771,726
Total non current assets	2,007,876	2,480,809	2,494,455	2,351,469	2,672,378	2,672,378	2,672,378	2,823,965	2,979,395	3,113,163
Total current liabilities	190,873	210,485	265,198	180,022	269,572	269,572	269,572	290,416	223,935	201,156
Total non current liabilities	627,256	609,802	580,935	602,174	560,100	560,100	560,100	534,844	503,740	466,603
Community wealth/Equity	1,721,609	2,191,236	2,222,345	2,072,370	2,444,489	2,444,489	2,444,489	2,749,909	3,008,682	3,217,130
<b>Cash flows</b>										
Net cash from (used) operating	182,201	126,538	200,011	213,506	305,069	305,069	305,069	230,702	207,043	237,975
Net cash from (used) investing	(134,541)	(109,607)	(118,191)	(240,000)	(244,227)	(244,227)	(135,263)	(161,570)	(172,034)	(184,377)
Net cash from (used) financing	37,955	(30,526)	(33,843)	30,196	(15,333)	(15,333)	(24,400)	(19,644)	(25,140)	(30,645)
<b>Cash/cash equivalents at the year end</b>	232,497	218,901	266,877	270,578	312,386	312,386	412,283	461,771	471,640	494,593
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	232,497	218,901	266,877	209,667	312,386	312,386	312,386	461,771	471,640	494,593
Application of cash and investments	232,496	218,901	266,877	(29,896)	57,122	57,122	57,122	75,692	11,001	(5,554)
<b>Balance - surplus (shortfall)</b>	0	0	-	239,563	255,265	255,265	255,265	386,079	460,639	500,147
<b>Asset management</b>										
Asset register summary (WDV)	2,006,520	2,479,712	2,493,292	2,350,592	2,671,507	2,671,507	2,823,312	2,823,312	2,978,763	3,112,721
Depreciation & asset impairment	94,577	105,360	106,154	100,225	113,254	113,254	111,412	111,412	106,481	102,968
Renewal of Existing Assets	1,565	17,406	25,244	54,419	42,187	42,187	42,187	43,898	75,564	71,461
Repairs and Maintenance	55,364	52,814	63,725	70,758	72,303	72,303	80,730	80,730	82,718	88,404
<b>Free services</b>										
Cost of Free Basic Services provided	3,857	4,428	-	-	-	-	-	-	-	-
Revenue cost of free services provided	91,612	101,868	71,913	80,797	80,797	80,797	91,239	91,239	103,048	115,872
<b>Households below minimum service level</b>										
Water:	-	0	1	1	1	1	1	1	1	1
Sanitation/sewerage:	-	2	-	-	-	-	-	-	-	-
Energy:	9	5	4	-	-	-	-	-	-	-
Refuse:	3	3	-	-	-	-	-	-	-	-

**Table 9 – A2: Budgeted Financial Performance by standard classification**

Standard Classification Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue - Standard</b>									
<i>Governance and administration</i>	203,233	161,738	174,331	191,492	189,211	189,211	201,347	213,231	225,972
Executive and council	58	1,681	46	245	345	345	133	140	149
Budget and treasury office	195,303	150,207	166,872	187,395	182,603	182,603	194,346	205,823	218,128
Corporate services	7,873	9,850	7,413	3,852	6,264	6,264	6,869	7,267	7,695
<i>Community and public safety</i>	90,134	94,863	75,246	77,295	73,305	73,305	46,869	91,453	102,394
Community and social services	1,882	2,052	3,344	2,917	3,380	3,380	7,297	11,542	10,115
Sport and recreation	2,294	2,950	8,087	7,897	7,997	7,997	3,975	3,914	4,400
Public safety	12,528	18,257	18,130	23,387	17,369	17,369	17,883	18,473	19,579
Housing	73,351	71,531	44,755	42,424	43,571	43,571	16,408	56,455	67,157
Health	78	72	929	670	987	987	1,306	1,069	1,143
<i>Economic and environmental services</i>	22,844	22,025	51,045	245,604	410,874	410,874	205,642	177,127	168,642
Planning and development	5,656	4,782	4,344	4,046	3,896	3,896	3,870	4,009	4,250
Road transport	17,030	17,228	46,665	241,523	406,944	406,944	201,771	173,116	164,391
Environmental protection	158	14	35	34	34	34	1	1	1
<i>Trading services</i>	532,295	654,338	735,747	768,571	791,397	791,397	821,458	859,165	916,085
Electricity	323,596	387,424	431,925	466,767	463,365	463,365	504,932	537,229	575,745
Water	116,675	111,534	133,185	116,374	116,634	116,634	119,139	121,963	129,249
Waste water management	60,688	97,037	111,932	124,874	149,684	149,684	129,619	130,254	137,184
Waste management	31,335	58,344	58,704	60,556	61,713	61,713	67,768	69,719	73,907
<i>Other</i>	2,596	15	10	17	17	17	18	19	20
<b>Total Revenue - Standard</b>	<b>851,103</b>	<b>932,980</b>	<b>1,036,378</b>	<b>1,282,979</b>	<b>1,464,804</b>	<b>1,464,804</b>	<b>1,275,334</b>	<b>1,340,994</b>	<b>1,413,113</b>
<b>Expenditure - Standard</b>									
<i>Governance and administration</i>	126,967	149,594	138,702	148,093	151,734	151,734	159,279	168,587	178,336
Executive and council	44,434	43,420	39,645	38,306	38,500	38,500	39,910	41,409	44,206
Budget and treasury office	47,844	58,605	53,954	62,926	64,699	64,699	69,300	74,307	78,355
Corporate services	34,690	47,569	45,103	46,861	48,534	48,534	50,070	52,871	55,775
<i>Community and public safety</i>	159,529	165,997	143,595	157,511	174,007	174,007	140,164	183,027	199,960
Community and social services	16,456	18,087	17,792	20,089	19,930	19,930	21,043	22,151	23,062
Sport and recreation	17,264	18,180	20,120	20,114	20,549	20,549	18,597	19,195	19,512
Public safety	40,433	42,437	42,848	46,811	46,644	46,644	51,423	54,668	58,145
Housing	80,304	80,842	56,427	63,732	79,794	79,794	41,851	79,647	91,460
Health	5,073	6,451	6,407	6,764	7,089	7,089	7,250	7,366	7,781
<i>Economic and environmental services</i>	118,496	119,366	139,759	251,919	312,154	312,154	250,821	227,699	188,032
Planning and development	13,329	15,843	16,603	19,034	18,604	18,604	18,702	19,847	21,128
Road transport	98,286	99,800	119,226	228,657	289,320	289,320	230,406	206,081	165,060
Environmental protection	6,880	3,722	3,930	4,228	4,230	4,230	1,713	1,771	1,844
<i>Trading services</i>	435,757	500,930	580,913	613,522	627,440	627,440	662,910	699,086	741,704
Electricity	268,241	321,874	359,414	405,498	406,940	406,940	431,134	462,028	494,537
Water	77,538	75,729	99,885	92,719	99,079	99,079	101,795	104,309	107,845
Waste water management	54,246	60,721	72,656	68,460	74,922	74,922	81,073	83,220	86,869
Waste management	35,732	42,607	48,958	46,846	46,499	46,499	48,909	49,530	52,453
<i>Other</i>	4,795	2,113	2,300	2,879	2,730	2,730	2,821	3,006	3,203
<b>Total Expenditure - Standard</b>	<b>845,545</b>	<b>937,999</b>	<b>1,005,269</b>	<b>1,173,924</b>	<b>1,268,065</b>	<b>1,268,065</b>	<b>1,215,996</b>	<b>1,281,405</b>	<b>1,311,235</b>
<b>Surplus/(Deficit) for the year</b>	<b>5,558</b>	<b>(5,019)</b>	<b>31,109</b>	<b>109,055</b>	<b>196,739</b>	<b>196,739</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>

**Table 10 – A3: Budgeted Financial Performance by municipal vote**

Vote Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue by Vote</b>									
Vote 1 - Office of the Municipal Manager	321	2,564	456	742	690	690	238	159	169
Vote 2 - Corporate Services	559	670	1,853	489	809	809	1,518	1,618	1,724
Vote 3 - Corporate Services	885	1,718	1,764	1,910	1,910	1,910	2,000	2,094	2,196
Vote 4 - Community Services	21,358	27,827	28,740	34,397	28,522	28,522	33,189	38,504	38,696
Vote 5 - Community Services	5,442	3,320	9,605	8,883	9,569	9,569	5,866	5,603	6,199
Vote 6 - Community Services	31,335	58,347	59,012	60,889	62,047	62,047	68,081	70,054	74,266
Vote 7 - Human Settlements, Land Affairs & Planning	80,644	78,251	47,920	46,191	49,482	49,482	22,855	63,289	74,400
Vote 8 - Civil Engineering Services	186,976	217,781	283,331	474,138	664,628	664,628	441,378	415,633	420,541
Vote 9 - Electrotechnical Services	323,855	387,486	431,944	466,767	463,365	463,365	504,932	537,229	575,745
Vote 10 - Financial Services	138,426	154,040	167,266	183,060	178,269	178,269	189,496	200,732	212,731
Vote 11 - Financial Services	61,301	976	4,486	5,514	5,514	5,514	5,782	6,078	6,445
<b>Total Revenue by Vote</b>	<b>851,103</b>	<b>932,980</b>	<b>1,036,378</b>	<b>1,282,979</b>	<b>1,464,804</b>	<b>1,464,804</b>	<b>1,275,334</b>	<b>1,340,994</b>	<b>1,413,113</b>
<b>Expenditure by Vote to be appropriated</b>									
Vote 1 - Office of the Municipal Manager	56,557	58,437	58,084	58,479	58,378	58,378	59,693	61,439	64,862
Vote 2 - Corporate Services	17,424	18,339	18,215	20,121	20,452	20,452	19,524	20,600	21,418
Vote 3 - Corporate Services	13,412	12,260	14,397	17,660	18,113	18,113	19,751	20,831	22,075
Vote 4 - Community Services	53,055	56,419	56,630	62,250	62,892	62,892	68,503	72,927	77,588
Vote 5 - Community Services	32,790	29,579	31,369	32,249	32,785	32,785	28,614	29,413	30,276
Vote 6 - Community Services	39,789	47,255	53,720	52,361	51,931	51,931	54,655	55,770	59,097
Vote 7 - Human Settlements, Land Affairs & Planning	91,805	107,427	76,642	78,711	78,110	78,110	51,919	94,043	106,544
Vote 8 - Civil Engineering Services	223,908	229,845	285,493	382,586	456,165	456,165	405,628	385,346	350,979
Vote 9 - Electrotechnical Services	271,192	325,051	362,865	409,819	411,232	411,232	435,928	467,050	499,826
Vote 10 - Financial Services	30,295	39,658	32,118	41,320	59,579	59,579	52,466	53,496	56,767
Vote 11 - Financial Services	15,318	13,729	15,735	18,368	18,428	18,428	19,314	20,490	21,803
<b>Total Expenditure by Vote</b>	<b>845,545</b>	<b>937,999</b>	<b>1,005,269</b>	<b>1,173,924</b>	<b>1,268,065</b>	<b>1,268,065</b>	<b>1,215,996</b>	<b>1,281,405</b>	<b>1,311,235</b>
<b>Surplus/(Deficit) for the year</b>	<b>5,558</b>	<b>(5,019)</b>	<b>31,109</b>	<b>109,055</b>	<b>196,739</b>	<b>196,739</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>

**Table 11 – A4: Budgeted Financial Performance by revenue source and expenditure type**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b>Revenue By Source</b>										
Property rates	118,881	127,788	143,438	159,097	154,105	154,105	154,105	164,592	174,386	184,773
Property rates - penalties & collection charges	1,330	1,218	3,845	5,212	5,212	5,212	5,212	5,509	5,812	6,120
Service charges - electricity revenue	310,240	373,785	413,336	444,276	441,118	441,118	441,118	477,317	502,140	532,268
Service charges - water revenue	67,306	66,393	81,477	86,723	85,853	85,853	85,853	93,596	95,736	101,241
Service charges - sanitation revenue	46,462	52,176	54,625	56,220	64,800	64,800	64,800	60,245	59,853	62,689
Service charges - refuse revenue	30,484	35,101	37,420	38,736	40,593	40,593	40,593	44,379	44,505	46,838
Service charges - other	13	331	347	373	373	373	373	396	419	444
Rental of facilities and equipment	1,829	2,103	1,991	2,192	2,186	2,186	2,186	2,289	2,426	2,571
Interest earned - external investments	14,773	14,715	13,781	13,872	17,672	17,672	17,672	18,732	19,856	21,047
Interest earned - outstanding debtors	4,296	3,573	3,644	4,305	4,305	4,305	4,305	4,392	4,656	4,936
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	13,149	15,057	15,576	22,499	15,755	15,755	15,755	16,700	17,702	18,764
Licences and permits	2,106	2,451	2,508	2,454	2,454	2,454	2,454	2,601	2,758	2,923
Agency services	5,427	5,751	6,291	6,534	6,534	6,534	6,534	6,586	6,982	7,400
Transfers recognised - operational	137,138	153,465	149,611	262,438	323,535	323,535	323,535	236,512	267,746	244,560
Other revenue	13,945	16,859	15,974	13,886	15,316	15,316	15,316	15,398	16,333	17,700
Gains on disposal of PPE	-	-	296	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>767,379</b>	<b>870,766</b>	<b>944,159</b>	<b>1,118,817</b>	<b>1,179,811</b>	<b>1,179,811</b>	<b>1,179,811</b>	<b>1,149,245</b>	<b>1,221,308</b>	<b>1,254,276</b>
<b>Expenditure By Type</b>										
Employee related costs	228,773	248,883	269,126	291,887	294,096	294,096	294,096	308,229	334,025	358,178
Remuneration of councillors	10,691	13,868	14,568	16,952	16,952	16,952	16,952	18,139	19,409	20,767
Debt impairment	27,524	19,558	37,042	22,000	22,000	22,000	22,000	20,000	23,188	24,440
Depreciation & asset impairment	94,577	105,360	106,154	100,225	113,254	113,254	113,254	111,412	106,481	102,968
Finance charges	53,170	57,217	55,451	51,536	50,786	50,786	50,786	47,984	43,694	39,610
Bulk purchases	192,921	244,403	276,691	301,850	299,835	299,835	299,835	324,002	350,116	378,336
Other materials	324	140	135	238	234	234	234	268	282	297
Contracted services	94,627	100,248	93,696	210,362	270,356	270,356	270,356	181,722	193,293	162,746
Transfers and grants	5,124	1,188	1,520	2,318	2,293	2,293	2,293	3,043	3,159	3,294
Other expenditure	137,373	135,848	150,610	176,557	198,260	198,260	198,260	201,198	207,758	220,598
Loss on disposal of PPE	440	11,286	278	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>845,545</b>	<b>937,999</b>	<b>1,005,269</b>	<b>1,173,924</b>	<b>1,268,065</b>	<b>1,268,065</b>	<b>1,268,065</b>	<b>1,215,996</b>	<b>1,261,405</b>	<b>1,311,235</b>
<b>Surplus/(Deficit)</b>	<b>(78,166)</b>	<b>(67,233)</b>	<b>(61,109)</b>	<b>(55,108)</b>	<b>(88,255)</b>	<b>(88,255)</b>	<b>(88,255)</b>	<b>(66,751)</b>	<b>(60,097)</b>	<b>(56,959)</b>
Transfers recognised - capital	72,168	50,035	82,905	157,542	276,173	276,173	276,173	118,340	111,407	150,027
Contributions recognised - capital	11,555	12,149	8,564	6,620	8,820	8,820	8,820	7,750	8,279	8,810
Contributed assets	-	29	749	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>5,558</b>	<b>(5,019)</b>	<b>31,109</b>	<b>109,055</b>	<b>196,739</b>	<b>196,739</b>	<b>196,739</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>
Taxation	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>5,558</b>	<b>(5,019)</b>	<b>31,109</b>	<b>109,055</b>	<b>196,739</b>	<b>196,739</b>	<b>196,739</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>5,558</b>	<b>(5,019)</b>	<b>31,109</b>	<b>109,055</b>	<b>196,739</b>	<b>196,739</b>	<b>196,739</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>5,558</b>	<b>(5,019)</b>	<b>31,109</b>	<b>109,055</b>	<b>196,739</b>	<b>196,739</b>	<b>196,739</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>

**Table 12 – A5: Budgeted Capital Expenditure by vote, standard classification and funding**

Vote Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>										
Vote 1 - Office of the Municipal Manager	–	–	–	–	–	–	–	–	–	–
Vote 2 - Corporate Services	456	1,212	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services	–	–	–	–	–	–	–	3,000	2,000	–
Vote 5 - Community Services	–	–	1,609	1,600	1,600	1,600	1,600	–	–	–
Vote 6 - Community Services	–	–	–	–	–	–	–	–	–	–
Vote 7 - Human Settlements, Land Affairs & Planning	873	–	–	6,000	–	–	–	–	–	–
Vote 8 - Civil Engineering Services	33,715	13,046	(15,252)	147,409	267,244	267,244	267,244	87,370	80,337	114,083
Vote 9 - Electrotechnical Services	21,577	–	–	8,563	12,358	12,358	12,358	24,300	10,956	3,000
Vote 10 - Financial Services	–	–	–	–	–	–	–	–	–	–
Vote 11 - Financial Services	–	–	–	–	–	–	–	–	–	–
<b>Capital multi-year expenditure sub-total</b>	<b>56,621</b>	<b>14,259</b>	<b>(13,643)</b>	<b>163,572</b>	<b>281,203</b>	<b>281,203</b>	<b>281,203</b>	<b>114,670</b>	<b>93,293</b>	<b>117,083</b>
<b>Single-year expenditure to be appropriated</b>										
Vote 1 - Office of the Municipal Manager	–	84	238	2,600	5,757	5,757	5,757	2,410	100	100
Vote 2 - Corporate Services	56	573	357	585	597	597	597	340	380	280
Vote 3 - Corporate Services	155	–	62	470	220	220	220	966	980	280
Vote 4 - Community Services	287	3,337	2,953	5,880	6,763	6,763	6,763	3,613	21,705	16,821
Vote 5 - Community Services	1,065	1,519	2,885	7,570	20,933	20,933	20,933	6,909	5,350	3,400
Vote 6 - Community Services	492	–	347	8,570	3,970	3,970	3,970	12,290	5,080	1,000
Vote 7 - Human Settlements, Land Affairs & Planning	5,662	1,375	1,653	2,898	4,325	4,325	4,325	14,606	22,630	27,160
Vote 8 - Civil Engineering Services	38,149	52,734	107,107	44,039	36,674	36,674	36,674	73,180	88,496	66,491
Vote 9 - Electrotechnical Services	33,428	35,613	17,865	14,060	13,427	13,427	13,427	22,910	28,015	10,300
Vote 10 - Financial Services	720	200	139	780	700	700	700	350	402	57
Vote 11 - Financial Services	–	–	–	–	–	–	–	–	–	–
<b>Capital single-year expenditure sub-total</b>	<b>80,014</b>	<b>95,437</b>	<b>133,604</b>	<b>87,452</b>	<b>93,366</b>	<b>93,366</b>	<b>93,366</b>	<b>137,574</b>	<b>173,138</b>	<b>125,889</b>
<b>Total Capital Expenditure - Vote</b>	<b>136,635</b>	<b>109,695</b>	<b>119,961</b>	<b>251,024</b>	<b>374,569</b>	<b>374,569</b>	<b>374,569</b>	<b>252,243</b>	<b>266,431</b>	<b>242,972</b>
<b>Capital Expenditure - Standard</b>										
<b>Governance and administration</b>	<b>876</b>	<b>284</b>	<b>712</b>	<b>8,175</b>	<b>9,424</b>	<b>9,424</b>	<b>9,424</b>	<b>8,497</b>	<b>3,012</b>	<b>1,217</b>
Executive and council	–	84	238	2,600	5,757	5,757	5,757	2,400	100	100
Budget and treasury office	720	200	139	780	700	700	700	350	402	57
Corporate services	155	–	335	4,795	2,967	2,967	2,967	5,747	2,510	1,060
<b>Community and public safety</b>	<b>8,671</b>	<b>8,010</b>	<b>9,183</b>	<b>23,653</b>	<b>33,305</b>	<b>33,305</b>	<b>33,305</b>	<b>28,293</b>	<b>48,405</b>	<b>44,122</b>
Community and social services	2,423	2,025	1,228	1,475	2,162	2,162	2,162	4,529	4,830	80
Sport and recreation	1,019	1,512	4,400	8,570	21,912	21,912	21,912	6,764	3,000	3,400
Public safety	512	3,333	2,608	5,865	6,061	6,061	6,061	2,939	18,425	13,562
Housing	4,716	1,141	897	7,743	3,170	3,170	3,170	14,036	22,150	27,080
Health	–	–	50	–	–	–	–	25	–	–
<b>Economic and environmental services</b>	<b>14,123</b>	<b>14,128</b>	<b>24,080</b>	<b>125,330</b>	<b>232,827</b>	<b>232,827</b>	<b>232,827</b>	<b>92,763</b>	<b>110,480</b>	<b>143,186</b>
Planning and development	–	–	–	–	–	–	–	10	–	–
Road transport	14,077	14,121	24,080	124,730	232,207	232,207	232,207	92,683	110,180	143,186
Environmental protection	46	7	–	600	620	620	620	70	300	–
<b>Trading services</b>	<b>112,965</b>	<b>87,273</b>	<b>85,986</b>	<b>93,866</b>	<b>99,012</b>	<b>99,012</b>	<b>99,012</b>	<b>122,690</b>	<b>104,534</b>	<b>54,447</b>
Electricity	55,005	35,613	17,865	18,563	23,315	23,315	23,315	42,240	37,521	12,800
Water	48,494	21,487	30,686	20,453	11,176	11,176	11,176	23,808	23,160	4,770
Waste water management	8,974	30,172	37,089	46,280	60,550	60,550	60,550	44,352	38,773	35,877
Waste management	492	–	347	8,570	3,970	3,970	3,970	12,290	5,080	1,000
<b>Other</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Standard</b>	<b>136,635</b>	<b>109,695</b>	<b>119,961</b>	<b>251,024</b>	<b>374,569</b>	<b>374,569</b>	<b>374,569</b>	<b>252,243</b>	<b>266,431</b>	<b>242,972</b>
<b>Funded by:</b>										
National Government	60,775	38,703	40,616	96,446	223,377	223,377	223,377	114,841	111,407	132,483
Provincial Government	10,851	11,332	42,289	30,406	57,514	57,514	57,514	16,743	2,000	–
District Municipality	–	–	–	–	1,000	1,000	1,000	6,000	2,826	–
Other transfers and grants	542	(0)	(0)	3,200	4,388	4,388	4,388	51,681	28,386	6,000
<b>Transfers recognised - capital</b>	<b>72,168</b>	<b>50,035</b>	<b>82,905</b>	<b>130,051</b>	<b>286,279</b>	<b>286,279</b>	<b>286,279</b>	<b>189,265</b>	<b>144,619</b>	<b>138,483</b>
<b>Public contributions &amp; donations</b>	<b>–</b>	<b>29</b>	<b>749</b>	<b>6,000</b>	<b>17,759</b>	<b>17,759</b>	<b>17,759</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Borrowing</b>	<b>47,704</b>	<b>20,291</b>	<b>–</b>	<b>64,580</b>	<b>19,648</b>	<b>19,648</b>	<b>19,648</b>	<b>13,505</b>	<b>11,040</b>	<b>7,305</b>
<b>Internally generated funds</b>	<b>16,762</b>	<b>39,340</b>	<b>36,306</b>	<b>50,393</b>	<b>50,882</b>	<b>50,882</b>	<b>50,882</b>	<b>49,473</b>	<b>110,772</b>	<b>97,184</b>
<b>Total Capital Funding</b>	<b>136,635</b>	<b>109,695</b>	<b>119,961</b>	<b>251,024</b>	<b>374,569</b>	<b>374,569</b>	<b>374,569</b>	<b>252,243</b>	<b>266,431</b>	<b>242,972</b>

**Table 13 – A6: Budgeted Financial Position**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b>ASSETS</b>										
<b>Current assets</b>										
Cash	232,497	218,901	266,877	209,667	312,386	312,386	312,386	461,771	471,640	494,593
Call investment deposits	–	–	–	–	–	–	–	–	–	–
Consumer debtors	78,250	87,298	73,180	93,414	82,653	82,653	82,653	87,084	86,209	78,392
Other debtors	37,206	39,105	49,967	34,493	41,294	41,294	41,294	42,120	39,887	37,950
Current portion of long-term receivables	316	333	304	353	280	280	280	218	216	189
Inventory	183,593	185,077	183,695	165,170	165,170	165,170	165,170	160,012	159,012	160,602
<b>Total current assets</b>	<b>531,862</b>	<b>530,714</b>	<b>574,023</b>	<b>503,096</b>	<b>601,784</b>	<b>601,784</b>	<b>601,784</b>	<b>751,205</b>	<b>756,963</b>	<b>771,726</b>
<b>Non current assets</b>										
Long-term receivables	1,357	1,098	1,164	877	871	871	871	653	632	442
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	137,320	149,918	152,741	149,909	150,205	150,205	150,205	147,696	145,259	142,980
Investment in Associate	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	1,867,101	2,327,991	2,339,262	2,189,915	2,520,595	2,520,595	2,520,595	2,674,932	2,832,416	2,968,684
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	2,099	1,802	1,289	10,769	707	707	707	683	1,088	1,057
Other non-current assets	–	–	–	–	–	–	–	–	–	–
<b>Total non current assets</b>	<b>2,007,876</b>	<b>2,480,809</b>	<b>2,494,455</b>	<b>2,351,469</b>	<b>2,672,378</b>	<b>2,672,378</b>	<b>2,672,378</b>	<b>2,823,965</b>	<b>2,979,395</b>	<b>3,113,163</b>
<b>TOTAL ASSETS</b>	<b>2,539,738</b>	<b>3,011,523</b>	<b>3,068,478</b>	<b>2,854,565</b>	<b>3,274,161</b>	<b>3,274,161</b>	<b>3,274,161</b>	<b>3,575,170</b>	<b>3,736,358</b>	<b>3,884,889</b>
<b>LIABILITIES</b>										
<b>Current liabilities</b>										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	30,533	33,843	36,963	36,366	40,483	40,483	40,483	43,812	45,127	47,383
Consumer deposits	14,897	15,933	17,697	17,838	19,820	19,820	19,820	20,315	20,925	21,971
Trade and other payables	123,399	134,358	178,723	103,772	184,734	184,734	184,734	201,017	133,324	107,168
Provisions	22,044	26,351	31,815	22,045	24,535	24,535	24,535	25,271	24,560	24,634
<b>Total current liabilities</b>	<b>190,873</b>	<b>210,485</b>	<b>265,198</b>	<b>180,022</b>	<b>269,572</b>	<b>269,572</b>	<b>269,572</b>	<b>290,416</b>	<b>223,935</b>	<b>201,156</b>
<b>Non current liabilities</b>										
Borrowing	520,870	487,034	450,070	486,095	427,735	427,735	427,735	400,757	366,670	326,592
Provisions	106,386	122,769	130,865	116,079	132,365	132,365	132,365	134,088	137,070	140,011
<b>Total non current liabilities</b>	<b>627,256</b>	<b>609,802</b>	<b>580,935</b>	<b>602,174</b>	<b>560,100</b>	<b>560,100</b>	<b>560,100</b>	<b>534,844</b>	<b>503,740</b>	<b>466,603</b>
<b>TOTAL LIABILITIES</b>	<b>818,129</b>	<b>820,287</b>	<b>846,133</b>	<b>782,196</b>	<b>829,672</b>	<b>829,672</b>	<b>829,672</b>	<b>825,260</b>	<b>727,675</b>	<b>667,759</b>
<b>NET ASSETS</b>	<b>1,721,609</b>	<b>2,191,236</b>	<b>2,222,345</b>	<b>2,072,370</b>	<b>2,444,489</b>	<b>2,444,489</b>	<b>2,444,489</b>	<b>2,749,909</b>	<b>3,008,682</b>	<b>3,217,130</b>
<b>COMMUNITY WEALTH/EQUITY</b>										
Accumulated Surplus/(Deficit)	1,650,898	2,117,225	2,145,015	1,998,354	2,368,066	2,368,066	2,368,066	2,678,068	2,933,812	3,139,363
Reserves	70,711	74,011	77,330	74,016	76,423	76,423	76,423	71,842	74,870	77,768
Minorities' interests	–	–	–	–	–	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,721,609</b>	<b>2,191,236</b>	<b>2,222,345</b>	<b>2,072,370</b>	<b>2,444,489</b>	<b>2,444,489</b>	<b>2,444,489</b>	<b>2,749,909</b>	<b>3,008,682</b>	<b>3,217,130</b>

**Table 14 – A7: Budgeted Cash Flow**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other	646,715	673,920	758,695	874,455	857,370	857,370	857,370	862,799	901,254	954,274
Government - operating	98,922	164,294	131,827	190,960	263,421	263,421	263,421	242,334	267,603	244,382
Government - capital	167,731	56,490	127,881	181,455	272,198	272,198	272,198	142,274	117,808	157,246
Interest	19,069	18,288	17,425	18,435	21,804	21,804	21,804	22,949	24,326	25,786
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees	(693,354)	(728,049)	(778,846)	(997,945)	(1,056,646)	(1,056,646)	(1,056,646)	(988,626)	(1,057,094)	(1,100,808)
Finance charges	(51,759)	(57,217)	(55,451)	(51,536)	(50,786)	(50,786)	(50,786)	(47,984)	(43,694)	(39,610)
Transfers and Grants	(5,124)	(1,188)	(1,521)	(2,318)	(2,293)	(2,293)	(2,293)	(3,043)	(3,159)	(3,294)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>182,201</b>	<b>126,538</b>	<b>200,011</b>	<b>213,506</b>	<b>305,069</b>	<b>305,069</b>	<b>305,069</b>	<b>230,702</b>	<b>207,043</b>	<b>237,975</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE	965	149	330	5,000	2,200	2,200	2,200	15,000	15,000	10,000
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	1,750	242	774	5,000	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets	(137,256)	(109,998)	(119,296)	(250,000)	(246,427)	(246,427)	(137,463)	(176,570)	(187,034)	(194,377)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(134,541)</b>	<b>(109,607)</b>	<b>(118,191)</b>	<b>(240,000)</b>	<b>(244,227)</b>	<b>(244,227)</b>	<b>(135,263)</b>	<b>(161,570)</b>	<b>(172,034)</b>	<b>(184,377)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	65,000	-	-	64,580	19,648	19,648	10,581	13,505	11,040	7,305
Increase (decrease) in consumer deposits	-	-	-	1,982	1,982	1,982	1,982	495	609	1,046
<b>Payments</b>										
Repayment of borrowing	(27,045)	(30,526)	(33,843)	(36,366)	(36,963)	(36,963)	(36,963)	(33,644)	(36,789)	(38,997)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>37,955</b>	<b>(30,526)</b>	<b>(33,843)</b>	<b>30,196</b>	<b>(15,333)</b>	<b>(15,333)</b>	<b>(24,400)</b>	<b>(19,644)</b>	<b>(25,140)</b>	<b>(30,645)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>85,615</b>	<b>(13,596)</b>	<b>47,976</b>	<b>3,701</b>	<b>45,509</b>	<b>45,509</b>	<b>145,406</b>	<b>49,488</b>	<b>9,869</b>	<b>22,953</b>
Cash/cash equivalents at the year begin:	146,881	232,497	218,901	266,877	266,877	266,877	266,877	412,283	461,771	471,640
Cash/cash equivalents at the year end:	232,497	218,901	266,877	270,578	312,386	312,386	412,283	461,771	471,640	494,593

**Table 15 – A8: Cash backed reserves/accumulated surplus reconciliation**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b>Cash and investments available</b>										
Cash/cash equivalents at the year end	232,497	218,901	266,877	270,578	312,386	312,386	412,283	461,771	471,640	494,593
Other current investments > 90 days	(0)	(0)	(0)	(60,911)	(0)	(0)	(99,896)	0	0	0
Non current assets - Investments	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>	<b>232,497</b>	<b>218,901</b>	<b>266,877</b>	<b>209,667</b>	<b>312,386</b>	<b>312,386</b>	<b>312,386</b>	<b>461,771</b>	<b>471,640</b>	<b>494,593</b>
<b>Application of cash and investments</b>										
Unspent conditional transfers	30,178	41,994	71,492	13,957	94,919	94,919	94,919	42,613	32,749	14,044
Unspent borrowing	20,291	-	-	-	-	-	-	-	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	(29,523)	(29,936)	(13,612)	(43,853)	(37,797)	(37,797)	(37,797)	33,078	(21,748)	(19,598)
Other provisions	-	-	-	-	-	-	-	-	-	-
Long term investments committed	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	211,549	206,842	208,997	128,220	133,206	133,206	133,206	125,802	132,584	138,736
<b>Total Application of cash and investments:</b>	<b>232,496</b>	<b>218,901</b>	<b>266,877</b>	<b>98,324</b>	<b>190,328</b>	<b>190,328</b>	<b>190,328</b>	<b>201,493</b>	<b>143,585</b>	<b>133,181</b>
<b>Surplus(shortfall)</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>111,343</b>	<b>122,058</b>	<b>122,058</b>	<b>122,058</b>	<b>260,278</b>	<b>328,055</b>	<b>361,412</b>



**Table 16 – A9: Asset Management**

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>CAPITAL EXPENDITURE</b>									
<b><u>Total New Assets</u></b>	<b>135,070</b>	<b>92,289</b>	<b>94,717</b>	<b>196,605</b>	<b>332,382</b>	<b>332,382</b>	<b>208,345</b>	<b>190,867</b>	<b>171,511</b>
Infrastructure - Road transport	12,749	6,585	21,766	40,975	220,655	220,655	87,295	71,406	100,069
Infrastructure - Electricity	35,461	32,441	16,116	16,006	19,801	19,801	42,780	33,656	9,600
Infrastructure - Water	40,222	16,748	27,732	14,818	5,895	5,895	17,640	17,700	100
Infrastructure - Sanitation	13,021	11,515	35,737	33,731	43,872	43,872	25,885	16,400	16,050
Infrastructure - Other	(0)	2,397	(491)	-	-	-	7,250	1,064	68
Infrastructure	101,452	69,686	100,861	105,530	290,223	290,223	180,850	140,226	125,887
Community	28,057	18,129	(9,608)	52,660	19,247	19,247	5,359	29,498	29,237
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	4,739	4,474	3,465	27,715	22,912	22,912	22,136	20,713	16,387
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	822	-	-	10,700	-	-	-	430	-
<b><u>Total Renewal of Existing Assets</u></b>	<b>1,565</b>	<b>17,406</b>	<b>25,244</b>	<b>54,419</b>	<b>42,187</b>	<b>42,187</b>	<b>43,898</b>	<b>75,564</b>	<b>71,461</b>
Infrastructure - Road transport	-	5,136	6,457	21,320	10,980	10,980	14,110	33,506	40,254
Infrastructure - Electricity	208	2,119	1,720	4,650	5,107	5,107	3,600	6,100	2,100
Infrastructure - Water	1,331	1,265	1,470	3,000	3,000	3,000	4,425	4,000	4,000
Infrastructure - Sanitation	-	8,590	11,840	8,309	12,398	12,398	13,473	20,153	19,627
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	1,539	17,110	21,487	37,279	31,485	31,485	35,608	63,759	65,981
Community	17	190	2,354	10,000	4,145	4,145	3,820	3,725	-
Heritage assets	-	-	-	250	29	29	380	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	9	107	1,403	6,890	6,527	6,527	4,090	8,080	5,480
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b><u>Total Capital Expenditure</u></b>									
Infrastructure - Road transport	12,749	11,721	28,224	62,295	231,635	231,635	101,405	104,912	140,323
Infrastructure - Electricity	35,668	34,560	17,835	20,656	24,908	24,908	46,380	39,756	11,700
Infrastructure - Water	41,553	18,013	29,202	17,818	8,895	8,895	22,065	21,700	4,100
Infrastructure - Sanitation	13,021	20,105	47,577	42,040	56,270	56,270	39,357	36,553	35,677
Infrastructure - Other	(0)	2,397	(491)	-	-	-	7,250	1,064	68
Infrastructure	102,991	86,796	122,347	142,809	321,708	321,708	216,458	203,985	191,868
Community	28,074	18,319	(7,255)	62,660	23,392	23,392	9,179	33,223	29,237
Heritage assets	-	-	-	250	29	29	380	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	4,748	4,581	4,868	34,605	29,439	29,439	26,226	28,793	21,867
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	822	-	-	10,700	-	-	-	430	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>136,635</b>	<b>109,695</b>	<b>119,961</b>	<b>251,024</b>	<b>374,569</b>	<b>374,569</b>	<b>252,243</b>	<b>266,431</b>	<b>242,972</b>

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Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>									
Infrastructure - Road transport	316,984	378,889	340,766	257,681	378,422	378,422	437,122	501,864	601,318
Infrastructure - Electricity	187,301	263,425	264,582	250,113	308,890	308,890	338,011	360,642	352,668
Infrastructure - Water	321,464	366,088	405,418	330,739	337,020	337,020	334,973	332,834	313,833
Infrastructure - Sanitation	141,098	177,257	171,187	312,406	209,547	209,547	233,223	254,612	275,714
Infrastructure - Other	36,421	1,145	27,905	44,751	15,663	15,663	32,901	28,705	27,996
Infrastructure	1,003,268	1,186,804	1,209,857	1,195,690	1,249,542	1,249,542	1,376,230	1,478,657	1,571,529
Community	124,182	152,700	146,004	263,943	265,653	265,653	267,977	295,185	318,862
Heritage assets	607	4,236	4,236	607	4,265	4,265	4,645	4,645	4,645
Investment properties	137,320	149,918	152,741	149,909	150,205	150,205	147,696	145,259	142,980
Other assets	739,043	984,251	979,164	729,674	1,001,135	1,001,135	1,026,079	1,053,928	1,073,648
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	2,099	1,802	1,289	10,769	707	707	683	1,088	1,057
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>2,006,520</b>	<b>2,479,712</b>	<b>2,493,292</b>	<b>2,350,592</b>	<b>2,671,507</b>	<b>2,671,507</b>	<b>2,823,312</b>	<b>2,978,763</b>	<b>3,112,721</b>
<b>EXPENDITURE OTHER ITEMS</b>									
<u>Depreciation &amp; asset impairment</u>	94,577	105,360	106,154	100,225	113,254	113,254	111,412	106,481	102,968
<u>Repairs and Maintenance by Asset Class</u>	55,364	52,814	63,725	70,758	72,303	72,303	80,730	82,718	88,404
Infrastructure - Road transport	19,301	17,490	19,992	19,752	19,396	19,396	21,014	22,678	24,480
Infrastructure - Electricity	6,688	5,029	5,604	8,382	8,332	8,332	8,918	9,602	10,303
Infrastructure - Water	3,506	3,706	6,051	6,295	6,412	6,412	6,920	7,448	8,003
Infrastructure - Sanitation	9,648	11,039	14,390	14,725	16,445	16,445	17,772	19,153	20,637
Infrastructure - Other	1	45	56	210	210	210	210	221	233
Infrastructure	39,145	37,309	46,093	49,364	50,795	50,795	54,834	59,103	63,656
Community	3,940	3,057	3,018	4,628	3,960	3,960	8,109	4,742	4,929
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	12,279	12,448	14,614	16,766	17,548	17,548	17,787	18,873	19,819
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>149,941</b>	<b>158,173</b>	<b>169,878</b>	<b>170,984</b>	<b>185,556</b>	<b>185,556</b>	<b>192,142</b>	<b>189,199</b>	<b>191,373</b>
<i>Renewal of Existing Assets as % of total capex</i>	1.1%	15.9%	21.0%	21.7%	11.3%	11.3%	17.4%	28.4%	29.4%
<i>Renewal of Existing Assets as % of deprecn"</i>	1.7%	16.5%	23.8%	54.3%	37.2%	37.2%	39.4%	71.0%	69.4%
<i>R&amp;M as a % of PPE</i>	3.0%	2.3%	2.7%	3.2%	2.9%	2.9%	3.0%	2.9%	3.0%
<i>Renewal and R&amp;M as a % of PPE</i>	3.0%	3.0%	4.0%	5.0%	4.0%	4.0%	4.0%	5.0%	5.0%

## **Part 2 – Supporting documentation**

### **2.1 - Disclosure on implementation of the MFMA & other applicable legislation**

#### **Municipal Finance Management Act – No 56 of 2003**

The MFMA became effective on 1<sup>st</sup> July 2004. The Act aims to modernise budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. George has been designated as a high capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

#### **The MFMA and the budget**

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

### **2.2 – The budget preparation process**

#### **2.2.1 – Overview**

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment costs.

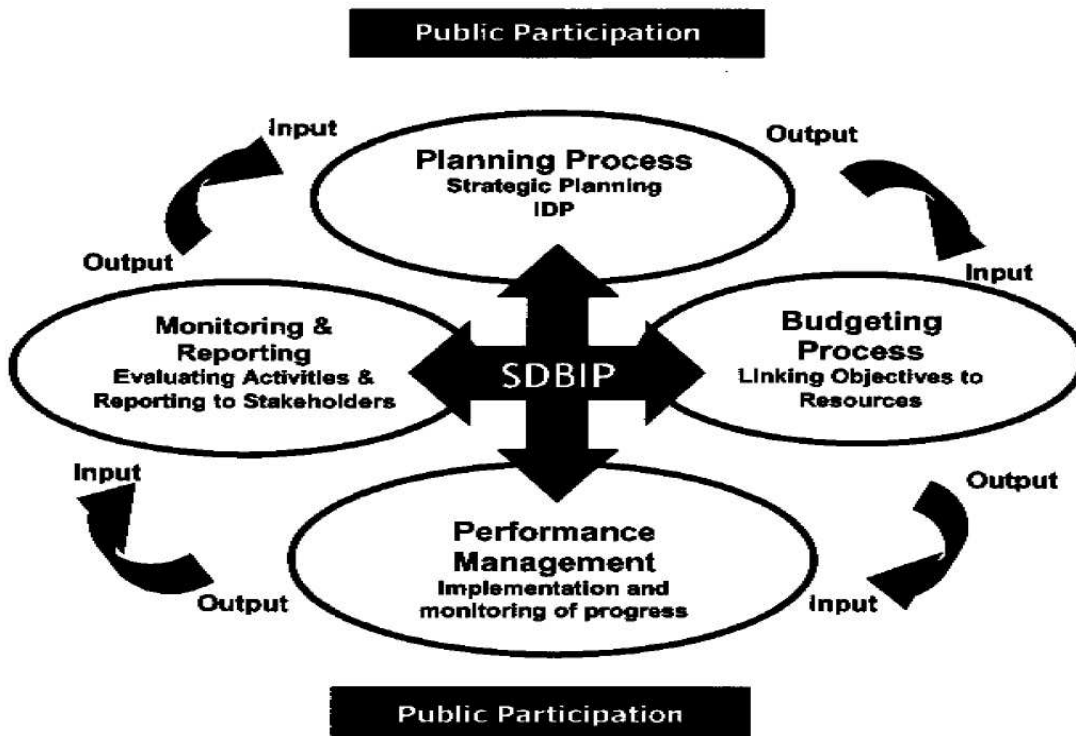
The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

### 2.2.2 – Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in George Municipality.



In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

:

**Table 17 – Schedule of Key Deadlines relating to the budget process**

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
<b>PREPARATION PHASE</b>			
Development of IDP & Budget Timetable	IDP & Budget Office	Approved IDP and Budget Process Plan	July- August 2013
Advert for the revival of the IDP and Budget Representative Forum and the IDP and budget process (2014/2015)	IDP Office		August 2013
<b>COUNCIL MEETING:</b> Adoption of the IDP and Budget Process Plan	Council		August 2013
District IDP Managers' Forum :Working Session on uniform guidelines for IDP Review	IDP Office		August 2013
Reconstitute the 2013/2014 IDP & Budget Steering Committee	Executive Mayor		September / October 2013
MinMay Tech	IDP Office & Municipal Manager (MM)		September 2013
Submit Timetable to the MEC for Local Government	IDP Office		September 2013
Produce and outline Budget Strategy document with high level estimates	Budget Office		September 2013
First Meeting of the IDP & Budget Steering Committee	Budget Office		October 2013
<b>ANALYSIS PHASE</b>			
<b>IDP REPRESENTATIVE FORUM MEETING:</b> Present the Process Timetable& critical ward priorities to the IDP Representative Forum	IDP Office& Executive Mayor	Determine and assess the current level of development and the emerging challenges, opportunities and priority	September/October 2013
Review and document information submitted by Directorates	IDP Office		October 2013

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
First draft situational analysis ready	IDP Office	issues	October 2013
District Stakeholder Engagement	IDP Office		October 2013
Budget Related Policies Reviewed	Budget Office		October 2013-April 2014
Budget Instructions issued to Directorates	Budget Office		September/ October 2013
Initial Drafting of operating and capital budget by departments	Budget Office		October 2013
STRATEGY PHASE			
IDP and Budget Steering Committee: Directors present priority issues	IDP& Budget Steering Committee	Develop objectives for priority issues and determine programmes to achieve strategic intent including the development of the Strategic Scorecard	November 2013
Present first draft situational analysis to the IDP & Budget Steering Committee and request inputs for the reviewed Municipal Vision, Mission, Strategies & Objectives	IDP Office		November 2013
Provincial IDP Indaba 2 – to be confirmed with Province	IDP Office, MM and All Directors		February 2014
Review tariffs and budget policies	CFO		February 2014
District IDP Managers’ Forum: Working Session dealing with inputs on draft IDP reviews	IDP Office		February 2014
PROJECT PHASE			
Set and agree on IDP priority programme/projects	Executive Mayor/MM & CFO	Identify projects and set output, targets	November /December 2013

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Drafting of operating and capital budget by departments continue	Budget Office & Directorates		December 2013
Draft Operational and Capital Budget considered by Budget Committee	Budget Office		February 2014
Directorates develop draft 2014/15 SDBIP and present to Portfolio Committees	IDP/Budget Office		March 2014
Multi-year scorecard presented to MAYCO	MM		March 2014
INTEGRATION PHASE			
Directorates identifying programmes and projects with external stakeholders	ALL	Incorporate programmes and projects into IDP	February/March 2014
Integration of sector plans and institutional programmes	IDP Office		March 2014
Financial plan and capital investment plan are developed	CFO		March 2014
Presentation of draft IDP & budget to the IDP and Budget Steering Committee& MAYCO	Executive Mayor / MM/Directors		March 2014
APPROVAL PHASE			
Tabling of the Draft IDP and Budget in Council	Executive Mayor	Approved IDP, budget and Service Delivery and Budget Implementation Plan	March 2014
Related Policies tabled at Council and made public (MFMA Sections 16 & 22)	Budget Office		March 2014

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Submission of draft IDP and budget to MECs Treasury and Local Government	IDP/Budget Office/MM		April 2014
Invite public comments on Draft IDP and Budget including Road shows	IDP/Budget Office		April /May 2014
IDP & Budget Steering Committee considers submissions, representations and recommendations from Road shows. Executive Mayor be provided with an opportunity to respond to submissions during consultation and table amendments for Council consideration	ALL		May 2014
Council meeting to adopt final IDP, Budget and Budget Related Policies	Council		May 2014
Submission of Final IDP and budget to MECs Treasury and Local Government	IDP/Budget Office/MM		May/June 2014
Publication of approved IDP and budget on website and in local newspapers	IDP/Budget Office		June 2014
Finalisation and submission of draft 2014/15 SDBIP and annual performance agreement by Municipal Manager to the Executive Mayor	MM	Approved SDBIP and annual performance agreements	June/July 2014
Executive Mayor approves the 2014/15 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and budget.	Executive Mayor		June/July 2014
Submit the approved SDBIP and performance agreements to MEC Local Government within 14 days after approval	MM/ IDP/Budget Office		July 2014



DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
<b>MONITORING AND EVALUATION PHASE</b>			
Commence with the compilation of the Annual Report 2013/2014	IDP Office& Directorates	Compile annual report	July 2013- March 2014
Quarterly SDBIP performance progress report for first quarter of 2013/14 to Council	IDP/Budget Office	SDBIP performance report noted	October 2013
Quarterly SDBIP performance progress report for second quarter of 2013/14to Council	IDP/Budget Office	SDBIP performance report noted	January 2014
Section 56/57 Managers' half-yearly evaluations for 2012/13	MM& Executive Mayor	Performance evaluated	January- March 2014
Mid-year budget and performance assessment <b>MFMA Section 72 (1)(2)(3)</b>	MM/ IDP/Budget Office	Mid-Term finance and service delivery performance report compliant to MFMA	January 2014
Executive Mayor tables the Annual Report 2012/13 <b>MFMA Section 127 (2)</b>	Executive Mayor	Annual report 2011/12 tabled	January 2014
Executive Mayor tables adjustment budget for approval by Council <b>MFMA Section 28</b>	Executive Mayor	Approved adjustment budget	February 2014
Publicise both the Annual Report ( <b>invite public inputs into the report - MFMA 127 &amp; MSA section 21A</b> ) and the adjustment budget on the municipal website and in local newspapers	MM	Annual report and adjustments budget publicised	February/March 2014
Council to consider and adopt Annual & Oversight Report by 31 March <b>MFMA Section 129(1)</b>	MM & Executive Mayor	Oversight report approved	March 2014
PubliciseAnnual &Oversight Report within seven days of adoption <b>MFMA Section 129(3) &amp; MSA Section 21A</b>	MM		April 2014

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
Within seven days of adoption of Annual & Oversight Report submit to Provincial Legislature/MEC for Local Government	MM		April 2014
Quarterly SDBIP performance progress report for third quarter of 2013/14 to Council	IDP/Budget Office	SDBIP performance report noted	April 2014
Quarterly SDBIP performance progress report for fourth quarter of 2013/14 to Council	IDP/Budget Office	SDBIP performance report noted	July 2014
Section 56/57 Managers' Annual Performance Evaluations for 2012/13	MM& Executive Mayor	Performance evaluated	July- September 2014

### **2.2.3 – Tabling of the draft budget**

The initial draft budget must be tabled by the mayor before council for review by 30 March.

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The municipal budget will be tabled before Council on 31 March 2014.

### **2.2.4 – Consultation with the community and key stakeholders**

When the draft budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The proposed public participation meetings will be held during April 2014, within the wards of George. The overall objective of this road show is to ensure an authentic and inclusive public participation process for the IDP and budget.

A steering committee will plan the road shows. This committee will be represented by politicians and officials from all Directorates. It will provide guidance and feedback on areas that requires improvement as the IDP and Budget Road shows unfolds.

A report will be compiled on the outcomes of these road shows and will be made available on request.

The proposed IDP and Budget Road show programme is not available at this time.

### **2.3 – Service Delivery and Budget Implementation Plan (SDBIP)**

The municipal manager must within fourteen days after the approval of the annual budget submit to the mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful. Unauthorised expenditure must be reported and may result in criminal proceedings.

## 2.4 – Alignment of Annual Budget with IDP

Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities.

The IDP strategic objectives and goals are set out in the IDP document.

George is a city for all reasons and this along with the strategic vision and mission has led to the conceptualisation of five strategic goals for George. These goals are as follows:

<b>One</b>	• <b>Deliver Quality Services in George</b>
<b>Two</b>	• <b>Grow George</b>
<b>Three</b>	• <b>Keep George Safe &amp; Green</b>
<b>Four</b>	• <b>Good Governance in George</b>
<b>Five</b>	• <b>Participate in George</b>

The above strategic goals are set to become the catalysts to ensure that the vision and mission is achieved in the next five years.

The 2014/15 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

**Table 19 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue**

Strategic Objective	Goal	Goal Code	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
R thousand												
Sanitation	Deliver quality Services in George	1	60,688	97,037	111,932	124,874	149,684	149,684	129,619	130,254	137,184	
Water Services	Deliver quality Services in George	1	116,675	111,534	133,185	116,374	116,634	116,634	119,139	121,963	129,249	
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	1	9,612	8,962	36,461	46,371	75,599	75,599	43,866	3,191	3,339	
Transport Planning & Traffic Engineering	Deliver quality Services in George	1	–	248	1,752	186,519	322,712	322,712	148,754	160,225	150,769	
Electricity	Deliver quality Services in George	1	323,596	387,424	431,925	466,767	463,365	463,365	504,932	537,229	575,745	
Housing	Deliver quality Services in George	1	73,351	71,531	44,755	42,424	43,571	43,571	16,408	56,455	67,157	
Spatial Planning	Good governance in George	4	5,578	4,022	4,035	3,566	3,568	3,568	3,782	4,009	4,250	
Property Development	Deliver quality Services in George	1	6,127	7,534	4,014	1,380	3,522	3,522	3,596	3,812	4,041	
Public Safety and Law Enforcement	Deliver quality Services in George	1	12,763	18,495	18,400	23,608	17,589	17,589	18,146	18,751	19,874	
Road Transport	Deliver quality Services in George	1	7,418	8,018	8,453	8,633	8,633	8,633	9,151	9,700	10,282	
Environmental Health	Deliver quality Services in George	1	1	1	35	34	34	34	1	1	1	
Public Amenities	Deliver quality Services in George	1	5,553	3,486	5,259	4,711	5,030	5,030	2,156	2,289	2,426	
Waste Management	Deliver quality Services in George	1	31,335	58,344	58,704	60,556	61,713	61,713	67,768	69,719	73,907	
Sport facilities and Development	Deliver quality Services in George	1	33	210	4,593	4,281	4,381	4,381	3,537	3,450	3,908	
Local Economic Development	Grow George	2	1	240	140	250	98	98	87	–	–	
Tourism	Grow George	2	14	15	10	17	17	17	18	19	20	
Financial viability and management	Good governance in George	4	74,232	12,458	14,091	19,795	23,595	23,595	25,861	27,328	28,950	
Revenue enhancement	Good governance in George	4	120,348	135,025	151,878	166,671	158,079	158,079	167,457	177,422	187,992	
Credit Control	Good governance in George	4	–	–	–	–	–	–	–	–	–	
Budget Formulation and control	Good governance in George	4	721	2,699	899	928	928	928	1,028	1,073	1,186	
People Management and Empowerment	Good governance in George	4	524	1,294	1,083	1,500	1,500	1,500	650	690	730	
Administrative Support	Good governance in George	4	1,031	2,394	1,696	663	1,033	1,033	2,179	2,292	2,419	
Library Services	Deliver quality Services in George	1	1,173	1,310	1,888	2,155	2,299	2,299	5,892	10,053	8,540	
Integrated Development Planning	Participate in George	5	63	521	169	230	230	230	–	–	–	
Communication	Good governance in George	4	184	81	88	–	–	–	–	–	–	
HIV/Aids	Keep George Safe & Green	3	4	3	–	–	–	–	–	–	–	
Social Development	Keep George Safe & Green	3	74	69	929	670	987	987	1,306	1,069	1,143	
Internal Audit and Risk Management	Good governance in George	4	1	26	4	–	–	–	–	–	–	
Allocations to other priorities												
Total Revenue (excluding capital transfers and contributions)				851,103	932,980	1,036,378	1,282,979	1,464,804	1,464,804	1,275,334	1,340,994	1,413,113

**Table 20 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure**

Strategic Objective	Goal	Goal Code	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Sanitation	Deliver quality Services in George	1	52,438	58,763	70,530	66,012	72,557	72,557	78,538	80,412	83,889
Water Services	Deliver quality Services in George	1	77,538	75,729	99,885	92,719	99,079	99,079	101,795	104,309	107,845
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	1	93,610	95,106	113,327	129,466	154,978	154,978	139,847	106,083	106,931
Transport Planning & Traffic Engineering	Deliver quality Services in George	1	323	248	1,752	94,389	129,550	129,550	85,449	94,541	52,313
Electricity	Deliver quality Services in George	1	268,241	321,874	359,414	405,498	406,940	406,940	431,134	462,028	494,537
Housing	Deliver quality Services in George	1	80,304	80,842	56,427	63,732	79,794	79,794	41,851	79,647	91,460
Spatial Planning	Good governance in George	4	8,859	10,476	10,929	11,987	11,714	11,714	12,595	13,425	14,294
Property Development	Deliver quality Services in George	1	4,261	15,358	7,822	4,294	4,450	4,450	4,481	4,528	4,478
Public Safety and Law Enforcement	Deliver quality Services in George	1	41,675	43,969	44,309	48,137	48,991	48,991	53,753	57,230	60,877
Road Transport	Deliver quality Services in George	1	4,353	4,447	4,147	4,802	4,792	4,792	5,110	5,457	5,816
Environmental Health	Deliver quality Services in George	1	782	901	985	1,030	1,030	1,030	953	1,000	1,058
Public Amenities	Deliver quality Services in George	1	24,981	23,791	24,768	26,320	26,617	26,617	25,138	26,262	27,115
Waste Management	Deliver quality Services in George	1	37,540	44,564	51,084	49,294	48,863	48,863	51,444	52,337	55,433
Sport facilities and Development	Deliver quality Services in George	1	7,703	8,191	8,385	8,512	8,579	8,579	8,856	9,117	9,108
Local Economic Development	Grow George	2	1,451	1,696	1,506	2,494	2,337	2,337	2,242	2,296	2,431
Tourism	Grow George	2	1,808	1,995	2,223	2,759	2,730	2,730	2,821	3,006	3,202
Financial viability and management	Good governance in George	4	23,321	24,330	24,915	26,795	27,870	27,870	30,828	33,749	35,775
Revenue enhancement	Good governance in George	4	11,592	19,370	13,525	18,630	19,388	19,388	21,096	23,029	24,537
Credit Control	Good governance in George	4	2,116	2,139	2,338	2,516	2,516	2,516	2,686	2,876	3,077
Budget Formulation and control	Good governance in George	4	2,798	3,863	3,099	3,321	3,261	3,261	3,435	3,653	3,950
People Management and Empowerment	Good governance in George	4	9,803	8,476	9,118	10,974	11,274	11,274	11,696	12,430	13,210
Administrative Support	Good governance in George	4	69,839	67,002	66,190	70,000	70,504	70,504	69,422	72,496	77,079
Library Services	Deliver quality Services in George	1	6,272	7,093	7,473	8,560	8,351	8,351	8,858	9,400	10,015
Integrated Development Planning	Participate in George	5	926	1,443	1,323	1,387	1,387	1,387	1,232	1,302	1,377
Communication	Good governance in George	4	1,994	3,188	5,905	5,828	5,718	5,718	6,327	6,724	7,146
HIV/Aids	Keep George Safe & Green	3	755	909	701	752	758	758	783	840	880
Social Development	Keep George Safe & Green	3	4,318	5,541	5,706	6,013	6,331	6,331	6,467	6,526	6,901
Internal Audit and Risk Management	Good governance in George	4	5,944	6,695	7,483	7,706	7,706	7,706	7,161	6,702	6,500
Allocations to other priorities											
Total Expenditure			845,545	937,999	1,005,269	1,173,924	1,268,065	1,268,065	1,215,996	1,281,405	1,311,235

**Table 21 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure**

Strategic Objective	Goal	Goal Code	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Sanitation	Deliver quality Services in George	A	8,974	30,172	37,089	46,280	60,550	60,550	44,352	38,773	35,877
Water Services	Deliver quality Services in George	B	48,494	21,487	30,686	20,453	11,176	11,176	23,808	23,160	4,770
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	C	14,395	14,121	24,080	34,085	40,894	40,894	29,504	41,216	41,471
Transport Planning & Traffic Engineering	Deliver quality Services in George	D	–	–	–	90,630	191,298	191,298	62,885	65,684	98,456
Electricity	Deliver quality Services in George	E	55,005	35,613	17,865	18,563	23,315	23,315	42,240	37,521	12,800
Housing	Deliver quality Services in George	F	4,716	1,141	897	7,743	3,170	3,170	14,036	22,150	27,080
Spatial Planning	Good governance in George	G	–	–	–	–	–	–	–	–	–
Property Development	Deliver quality Services in George	H	–	–	–	–	–	–	–	–	–
Public Safety and Law Enforcement	Deliver quality Services in George	I	193	3,333	2,608	5,865	6,061	6,061	2,939	18,425	13,562
Road Transport	Deliver quality Services in George	J	–	–	–	15	15	15	294	3,280	3,259
Environmental Health	Deliver quality Services in George	K	–	–	–	–	–	–	–	–	–
Public Amenities	Deliver quality Services in George	L	2,330	2,020	933	1,475	1,475	1,475	4,450	2,830	80
Waste Management	Deliver quality Services in George	M	492	–	347	8,570	3,970	3,970	12,290	5,080	1,000
Sport facilities and Development	Deliver quality Services in George	N	1,019	1,512	4,350	8,570	21,912	21,912	3,695	3,000	3,400
Local Economic Development	Grow George	O	–	–	–	–	–	–	10	–	–
Tourism	Grow George	P	–	–	–	–	–	–	–	–	–
Financial viability and management	Good governance in George	Q	720	200	139	780	700	700	350	402	57
Revenue enhancement	Good governance in George	R	–	–	–	–	–	–	–	–	–
Credit Control	Good governance in George	S	–	–	–	–	–	–	–	–	–
Budget Formulation and control	Good governance in George	T	–	–	–	–	–	–	–	–	–
People Management and Empowerment	Good governance in George	U	–	–	–	–	–	–	–	–	–
Administrative Support	Good governance in George	V	202	91	573	7,995	9,345	9,345	7,985	2,910	1,160
Library Services	Deliver quality Services in George	W	93	5	345	–	687	687	3,380	2,000	–
Integrated Development Planning	Participate in George	X	–	–	–	–	–	–	–	–	–
Communication	Good governance in George	Y	–	–	–	–	–	–	–	–	–
HIV/Aids	Keep George Safe & Green	Z	–	–	–	–	–	–	–	–	–
Social Development	Keep George Safe & Green	AA	–	–	50	–	–	–	25	–	–
Internal Audit and Risk Management	Good governance in George	AB	–	–	–	–	–	–	–	–	–
Allocations to other priorities											
Total Capital Expenditure			136,635	109,695	119,961	251,024	374,569	374,569	252,243	266,431	242,972



## **2.5 – Overview of budget related policies**

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Section 17 (3) (e) of the Municipal Finance Management Act, (Act No 56 of 2003) prescribes that the Municipality must review the budget related policies annually. Herewith follows suggested changes to Council's budget related policies.

The budget committee considered amendments to various policies and the following budget related policies were reviewed:

1. Tariff policy
2. Rates policy
3. Customer Care, Credit Control and Debt Collection policy
4. Indigent policy (Free basic services)
5. Virement policy (Shifting of funds)
6. Cash Management and Investment Policy
7. Funding, Borrowing and Reserves policy
8. Supply Chain Management policy
9. Asset Management Policy
10. Petty Cash Policy
11. Travel and Subsistence Policy
12. Grand-in-aid Policy
13. PPPFA Policy

The following financial policies need to be reviewed in future:

1. Long-Term Financial policy
2. Infrastructure Investment and capital projects including –
  - Planning and Approval of Capital projects – Ignite is busy drawing up this policy.
  - Policy on Developer Contributions – this is included in the tariff policy.
3. Unforeseen and Unavoidable expenditure
4. Policy dealing with Management and Oversight

Budget related policies are attached as Annexures.

### **2.6.1 – Review of current policies**

The Budget Committee has indicated that the finalization of the draft policy changes will be finalized after the budget consultation process is completed.

#### **2.6.1.1 – Review of Property Rates policy**

The administration has re-worked the Property Rates Policy and suggests the following changes/additions to the policy:

## **4. Interpretation:**

4.1 “**guest house**” means a property where 40% or more of the bedrooms are used or available to be used for providing accommodation for temporary visitors at a fee;

## **12. Agricultural properties**

12.4 The municipality will grant an agricultural residential use rebate in respect of farms and smallholdings which are:-

## **16. Public benefit organizations**

16.4. The municipality may grant a rebate to any other organization which, in the sole discretion of the municipality, performs a public benefit function, but does not qualify for a rebate in terms of 16.1 to 16.3 above.

### **2.6.1.2 – Review of Customer Care, Debt Collection and Credit Control**

#### **1. Definitions**

- c) “**Authorized Representative**”, the person or institution legally appointed by the Council to act or to fulfil a duty on its behalf;
- f) “**customer**” any owner/landlord or occupier of a property to which property the municipality has agreed to supply services or already supplies services, and any customer of a property not receiving services but for which property services had been made available, and any person liable to the Municipality for taxes, rates or other charges.
- h) “**defaulter**” a person who owes money to the Municipality after the due date has expired;
- l) “**municipal account**” an account rendered specifying charges for services provided by the municipality, or any authorised and contracted services providers, valuations, and property taxes

- n) **“municipal services”** those services provided by the municipality or service providers, such as, the supply of water and electricity, refuse removal, sewerage treatment, and any other charges;

## **2. Duties and Functions**

### **a) Duties and functions of Communities, ratepayers and residents**

- i) To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.
- ii) To pay service charges, rates on property and other taxes, levies and duties imposed by the municipality on or before the due date.
- iii) To observe the mechanisms and processes of the municipality in exercising their rights.
- iv) To allow municipal officials reasonable access to their property to execute municipal functions.

### **b) Duties and functions of Councillors**

- iv) The normal credit control procedures shall also apply to any arrear account of a councillor or municipal staff.

### **(g) Duties and responsibility of Municipal Staff**

- i) To always pay amounts that are owed in respect of municipal rates, taxes and services and not to default on payments.
- ii) The Municipality may deduct any outstanding amounts from a staff member, if the member has not paid amounts that are due to the municipality for more than three (3) months.
- iii) The normal credit control procedures shall also apply to any arrear account of a councillor or municipal staff.
- iv) Where the municipality provides temporary employment to members of the community who are in arrears with payments for municipal rates and services they will be required to enter an agreement to pay 20% of their gross remuneration towards these arrears of debt.

#### **4. Performance Evaluation**

- a) The Municipal Council will create a mechanism wherein the following targets can be assessed, evaluated and necessary remedial steps taken.

- b) *Income Collection Targets***

- i) The Municipal Council will create income collection targets that will include the reduction in the monthly increase of debt in line with the performance agreements for officials.

- c) *Customer Service Targets***

The Municipal Council will create targets that will include:

- i) Response time to customer queries.
  - ii) Date of first account delivery to new customers.
  - iii) Reconnection time lapse.
  - iv) Meter reading cycle.

- d) *Administrative Performance***

The Municipal Council will create targets that will include:

- i) Cost efficiency of debt collection.
  - ii) Query and appeal periods.
  - iii) Enforcement mechanism.

#### **5. Reporting**

- d) The Executive Mayor as supervisory authority shall, at intervals of 3 months, report to Council as contemplated in Section 99(c) of the Systems Act.

#### **6. Customer Care Section**

- (e) *Payment facilities and methods***

- (iii) With the consent of a customer the municipality may in terms of section 103 of the Systems Act, approach an employer to secure a debit or stop order arrangement.

- (iv) The municipality may provide for special incentives as contemplated in section 103 of the Systems Act.

(g) ***Customer Categories***

- i. Customers will be categorised according to specific classifications based on inter alia the type of entity and applicable tariffs and risk levels.
- ii. Processes for credit control, debt collection and customer care may differ from category to category, as deemed appropriate by the Municipal Manager.

(o) **Free basic services**

Council may provide, free of charge to a customer, certain basic levels of services, as determined from time to time as stipulated in the Indigent and Tariff policies.

**7. Credit Control Section**

**(b) Application for supply of municipal services and service agreements**

- vii) Applications for services from businesses, including but not limited to trusts, companies, close corporations and partnerships must include a resolution delegating authority to the applicant to apply for the relevant services furnishing, if applicable, the business entity's registration number or ID number, the names, addresses and all relevant contact particulars of all the business's directors, members, trustees, proprietors or partners.
- ix) An applicant must provide any information and documentation which the Municipality requires.
- x) Consumers who illegally consume services without this agreement will be subject to punitive action.
- xi) A property developer must inform the municipality of the nature and extent of the municipal services or services that will be provided as well as the measuring devices that will be used.

- xii) A property developer who fails to comply with the provisions of xi) shall be liable for the payment of all the applicable charges that would have been payable by customers in respect of municipal services that have been used or consumed by such customers.

**(e) Personal contacts**

- (i) delete demand

**(f) Disconnection of Services**

- (ii) The disconnection of services may happen when the municipal account is 14(fourteen) days overdue.
- (v) All costs related to notices such as the restrictions, dis- and reconnections and blocks will be determined by tariffs approved by the municipal Council, and will be payable by the customer.

**(g) Termination of Service(s)**

- i) It is the responsibility of the consumer to notify the municipality when the municipal services are no longer required due to the sale of the property or other reasons.
- ii) Failure to comply with the conditions above renders the consumer liable for all service charges and interest thereon accumulated from the date when the premises are vacated to the date when council becomes aware of such vacation.
- iii) A customer may terminate agreement for the supply of municipal services by giving at least 21(twenty-one) days written notice to the municipality of such termination.
- iv) The Municipality may terminate an agreement for supply of municipal services by giving at least 21(twenty-one) days written notice to a customer where:
  - a) Municipal services were not utilized by such customer for a consecutive period of 2 months and without an agreement, to the satisfaction of the municipality, having been made for the continuation of the agreement; or

b) Premises have been vacated by the customer concerned and no arrangement for the continuation of the agreement has been made with the municipality provided that, in the event of the customer concerned not being the registered owner of the premise, a copy of the aforesaid notice shall also be served on such registered owner.

v) The municipality may terminate services to a property immediately when it receives notice or verified information that the customer has been placed under provisional sequestration, provisional liquidation, or deregistered or deceased, or execution of notice of sale, unless suitable arrangements have been made for the payment of services after the date of sequestration, liquidation, deregistration or death.

**(h) Rates clearance**

(i) On the sale of any property in the municipal jurisdiction, the municipality will withhold the transfer until all rates, services and consumption charges and any other charges are paid by withholding a rates clearance certificate as contemplated in section 118(1) of the Systems Act.

**(i) Pre-payment System**

(m) delete guaranteed cheques, insert bank transfers

iii. Only bank transfers, cash and bank cards will be accepted for the sale of prepaid electricity.

iv. No refund for ppm tokens will be given to clients that move to another address with a different prepaid meter.

**(j) Social Assessments**

i. Social Assessment is done to determine whether it is viable to hand this consumer over.

ii. In many cases the total the assets are less than the outstanding debt and an alternative action should be taken. Such as applying for indigence, writing off some of the debt to enable the consumer to make a suitable arrangement.

- iii. After all Credit Control is done and none- payment received or arrangements, a social assessment investigation are done before legal actions taken.

**(m) Theft and fraud**

- i. Any natural or juristic person found to:-
  - 1. illegally connected to municipal services;
  - 2. tampered with meters, the reticulation network or any other supply equipment;
  - 3. committed any unauthorised act associated with the supply of municipal services; and
  - 4. be involved in theft of and fraudulent activity will be prosecuted and/or held liable for penalties as determined from time to time.

**2) Council will immediately terminate the supply of services to a customer should such conduct as outlined in Section 7(31), be detected.**

- (vii) Damage of Council property - The responsibility for outstanding costs for meter tampering and penalties will be the responsibility of the owner of the property in cases where the tenants tampered with the prepaid meter.

**8. Debt Collection Section**

**(b) Legal Process / Use of Attorneys / Use of Credit bureaus**

- (i) insertion The municipality may, when all other credit control actions have been exhausted, commence legal process against debtors which process could involve summonses, judgments and execution actions.
- (iv) deletion – whole paragraph

**(c) Cost of Collection**

- (ii) insertion - All legal cost including attorney and client costs incurred in the recovery of arrears which shall be debited against such customer.

**2.6.1.3 – Indigent policy**



Indigent Policy has been reviewed resulting in some minor changes.

## **DEFINITIONS**

“Household income” Total gross monthly income of owners/tenants, (excluding disability grant and child support grant) does not exceed R3000 pm. Only the boarding amount of children/boarders/tenants, who are employed, will be taken into account and not their total gross salary/income, when determining the total gross monthly income of a household.

### **1. CRITERIA FOR QUALIFICATION**

The verified total gross monthly income of owners/tenants does not exceed the level as determined in Council’s tariff policy from time to time. Only the boarding amount of children/boarders/tenants, who are employed, will be taken into account when determining the total gross monthly income of a household. The verified gross monthly income of R3 000 for all principle household occupants over 18 years of age may not exceed this amount as reviewed and approved by Council during the annual budget

**2.2.6.3** If the monthly consumption of the Indigent Household exceeds 450 kWh per month, the electricity tariff will be changed to the higher tariff for normal households.

**2.2.6.4** Backyard-dwellers also qualify for free basic electricity units, as determined by Council, if they are deemed to be indigent.

## **7. OTHER CATEGORIES OF INDIGENCY**

### **7.2 A place of Public Worship in Indigent Areas**

Churches who are categorised in the Valuation Roll as a “Place of public worship” in terms of the Municipal Properties Rates Act and where more than 50% of the members of that congregation are registered as indigents in terms of the Council’s Indigent Policy.

The subsidy will be restricted to the subsidization of all basic services water, sewerage and refuse. The total subsidy will not exceed the total monthly municipal account as contained in the tariff list.

**5.5** If an Indigent consumer tamper with his/her pre-paid or credit meter the subsidy and the Indigent will immediately be stopped.

- 5.6 Tamper debt and Tamper fees will be debited onto the pre-payment meter.

**2.6.1.3 – Virement Policy**

Completely revised policy.

**2.6.1.4 – Supply Chain Management Policy**

Completely revised policy.

**2.6.1.5 – PPPFA**

New policy.

**2.6.1.6 – Grant-in-aid Policy**

New policy.

**2.6.1.7 – Cash Management and Investment Policy**

Completely revised policy.

**2.6.1.8 – Travel and Subsistence Policy**

Changes :

- SARS tariffs
- Limits of overnight stay of Councillors and Officials.

**2.6.1.9 – Asset Management Policy**

Changes:

- The inclusion of Heritage Assets accordingly to GRAP (Generally Recognized Accounting Practice).

**2.6.1.10 – Petty Cash Policy**

Completely revised policy.

**2.6.1.11 – Tariff Policy**

1.3 **REBATE IN RESPECT OF AGRICULTURAL PROPERTIES (NON BONIFIDE FARMING)**

**Agricultural Residential use**

A rebate of 20% on rates (refer to 1.1) will be granted in respect of properties as defined in Council's Property Rates Policy (Section 12.4).

1.4 **REBATE IN RESPECT OF INCOME**

With regard to paragraph 2.2.3 the following additional rebates, to a maximum of 40 percent, will be granted to persons applying before 30 June 2014:

<b><u>Ratepayer with an annual income of</u></b>			<b><u>Percentage Rebate</u></b>
R0	-	R36 000.00	20%
R36 001.00	-	R60 000.00	10%

#### **Changes to the Electricity tariff structure:**

The following proposal for the introduction of an inclining block tariff for our indigent tariff in terms of the indigent policy is being tabled:

<b>Tariff</b>		<b>R/kWh</b>	
		<b>0-450kWh</b>	<b>&gt;450kWh</b>
2013/14	- Indigent tariff	0.8677	0.8677
2013/14 1	- Part tariff	1.2547	1.2547
2014/15 IBT	- Indigent tariff	0.931	1.3474

The 0 to 450 kWh indigent tariff has been increased by 7,3% while the consumption above 450 kWh has been aligned with the standard 1-part domestic tariff. Indigent customers also receive 70 kWh FBE and their consumption should not normally exceed 450 kWh per month.

The introduction of an erasable minimum consumption of 10 to 100 kWh per month for 30 to 60A PPM domestic consumers respectively and an erasable 300kWh per month for three phase domestic clients will be applied. An erasable minimum consumption of 200kWh for Small General Consumers will also be introduced. The introduction of the erasable minimum consumption is to ensure that we receive a monthly income from holiday homes that are unoccupied for most of the year and don't purchase regularly and other buildings and homes (some are vacant) that pay no basic charge presently. Most permanent residents that use less than 100kWh per month will qualify for indigent assistance. Those that do not qualify for indigent assistance can have a limited circuit breaker supply (30A) installed.

The introduction of an imbedded generation tariff for domestic consumers that generate electricity with solar systems is also being tabled. This tariff will be a time-of-use (TOU) tariff with a basic fixed network charge. The kWh purchase

price at which the municipality purchases electricity from the client will be based on the Eskom megaflex TOU purchase cost. The tariff is structured to be more lenient towards the consumers between high demand and low demand seasons and between peak and standard periods:

Basic charge: R309,00

#### **High Demand Season:**

Energy – High Demand: Peak	:	R2,48 per kWh
Energy – High Demand: Standard	:	R1,77 per kWh
Energy – High Demand: Off-Peak	:	R0,95 per kWh

#### **Low Demand Season:**

Energy – Low Demand: Peak	:	103,62 cents per kWh
Energy – Low Demand: Standard	:	81,27 cents per kWh
Energy – Low Demand: Off-Peak	:	69,85 cents per kWh

#### **Municipal Purchase price (megaflex):**

##### **High Demand Season:**

Energy – High Demand: Peak	:	222,24 cents per kWh
Energy – High Demand: Standard	:	67.32 cents per kWh
Energy – High Demand: Off-Peak	:	36.56 cents per kWh

##### **Low Demand Season:**

Energy – Low Demand: Peak	:	72,49 cents per kWh
Energy – Low Demand: Standard	:	49,89 cents per kWh
Energy – Low Demand: Off-Peak	:	31,65 cents per kWh

#### **Capital Contributions:**

The proposed increases in capital contributions are as follows:

➤ Electricity	:	5%
➤ Public Open Space	:	5%
➤ Water	:	5%
➤ Refuse	:	5%
➤ Sewerage	:	5%
➤ Uniondale en Haarlem	:	7,5%

## 2.6 – Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

### 2.6.1 – National Treasury MFMA Circular No 70 & 72

These Circulars was issued on 04 December 2013 and 17 March 2014 respectively, and it provides further guidance to municipalities for the preparation of the 2014/15 budget and MTREF and was used in preparing this budget. A copy of the Circulars is attached as an Annexure to this document.

### 2.6.2 – Inflation Outlook

In MFMA Circular No 72, inflation forecasts are estimated at 6.2%, 5.9% and 5.5% respectively for the years 2014 to 2016.

### 2.6.3 – Rates, tariffs, charges and timing of revenue collection

The rates, tariffs and charges for the 2014/15 budget are included in Annexure.

The following table shows the assumed average percentage increases built into the MTREF for rates tariffs and charges;

	2014/15	2015/16	2016/17
Rates	7%	6%	6%
Tariffs : Water	7%	6%	6%
Sewerage	7%	6%	6%
Electricity	7.39%	6%	6%
Cleaving	9%	6%	6%
General Charges	6%	6%	6%

The cash flow statement shows when rates and tariffs are expected to be collected over the financial year. In general terms, the timing of rates, tariffs and charges is based on the following;

Rates	Annual billing in July. Interim billing throughout the year.
Tariffs	Monthly billing. On-going prepayment meters. Seasonal fluctuations.
Charges	Generally steady state throughout the financial year with seasonal fluctuations.

**2.6.4 – Collection rates for each revenue source and customer type**

The following bad debt provisions and collection rates are assumed in the MTREF for rates and tariffs.

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Provision for bad and doubtful debts	R22m	R23m	R24m
Assumed collection rate	96%	97%	98%

**2.6.5 – Price movements on specifics e.g. bulk purchases**

The following amounts are included in the MTREF for increases in bulk purchases;

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
ESKOM	R324m	R350m	R378m

**2.6.6 – Average salary increases**

The MTREF includes the following average percentage increases for wages and salary and for councillors' allowances;

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Councillors & Staff	7%	6%	6%

**2.6.7 – Industrial relations climate, reorganisation and capacity building**

The ability of the Municipality to deliver quality services is virtually entirely dependent on its staff. Failure by the Municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faced by George will ultimately mean a failure to deliver services.

The Municipality has made the following amounts available for training over the MTREF period.

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Training Budget	R630 000	R664 000	R700 000

**2.6.8 – Trends in demand for free or subsidised basic services**

George's criteria for supporting free or subsidised basic services are set out in the Indigent Policy. The Government allocates revenue via the Equitable Share grant with the primary aim of assisting municipalities with the costs of providing

free or subsidised basic services. Any costs over and above the Equitable Share allocation must be paid by the consumer.

#### **2.6.9 – Ability of the municipality to spend and deliver on the programmes**

By end February 2014, the Municipality has spent R79.6m out of an adjusted capital budget of R374.6m, equating to 21% of the total budget. Against the original budget of R215m the spending is 37%.

Spending is monitored closely throughout the year and Directors must ensure that capital programmes are supported by robust planning. The Municipality is currently reviewing its capital planning processes and will soon implement the capital rating and ranking programme of Ignite Advisory Service.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillor, municipal manager, directors and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

#### **2.6.10 – Capital Budget**

It was firstly proposed that the capital budget be capped for CRR funded capital projects at R40 million and that full provision be made for grant funded projects as gazetted in the Division of Revenue Act.

The budget steering committee finally decided that the capital budget be capped for CRR funded capital projects at R49,473 million and full provision will be made for grant funded projects as gazetted in the Division of Revenue Act.

#### **2.6.11 – Implications of restructuring and other major events in the future**

Council approved a new organisational structure in 2012 which reduced the number of directorates from eight to seven. Community Safety was combined with Environmental Affairs to establish the new directorate namely Community Services. Minor changes to the micro structure were also made. These changes were made to streamline service delivery and to affect savings.

Council is currently busy with an investigation into the functionality of the organogram.

## 2.7 – Other Supporting documents

### 2.7.1 Investment Particulars by Type

**Table 22 – SA15: Investment Particulars by Type**

Investment type	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>									
<b>Parent municipality</b>									
Securities - National Government	-	-	-	-	-	-	-	-	-
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-
Deposits - Bank	-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-	-	-	-	-
Municipal Bonds	-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Entities</b>									
Securities - National Government	-	-	-	-	-	-	-	-	-
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-
Deposits - Bank	-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	-	-	-	-	-	-	-	-	-
<b>Consolidated total:</b>	-	-	-	-	-	-	-	-	-

The municipality does not have any investment.

### 2.7.2 Borrowings

**Table 23 – SA17: Borrowing**

Borrowing - Categorised by type	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>									
<b>Parent municipality</b>									
Long-Term Loans (annuity/reducing balance)	520,870	487,034	450,070	486,095	427,735	427,735	400,757	366,670	326,592
Long-Term Loans (non-annuity)	-	-	-	-	-	-	-	-	-
Local registered stock	-	-	-	-	-	-	-	-	-
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
PPP liabilities	-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-	-	-	-	-	-
Marketable Bonds	-	-	-	-	-	-	-	-	-
Non-Marketable Bonds	-	-	-	-	-	-	-	-	-
Bankers Acceptances	-	-	-	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	520,870	487,034	450,070	486,095	427,735	427,735	400,757	366,670	326,592
<b>Unspent Borrowing - Categorised by type</b>									
<b>Parent municipality</b>									
Long-Term Loans (annuity/reducing balance)	20,291	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-	-	-	-	-	-
Local registered stock	-	-	-	-	-	-	-	-	-
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
PPP liabilities	-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-	-	-	-	-	-
Marketable Bonds	-	-	-	-	-	-	-	-	-
Non-Marketable Bonds	-	-	-	-	-	-	-	-	-
Bankers Acceptances	-	-	-	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-	-	-	-
Other Securities	-	-	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	20,291	-	-	-	-	-	-	-	-



## 2.7.3 Grants and subsidies

Table 24 – SA18: Transfers and grants receipt

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	67,735	77,276	89,028	189,671	190,671	190,671	162,555	161,866	129,249
Local Government Equitable Share	59,340	72,201	80,370	85,716	85,716	85,716	92,397	100,129	109,720
Finance Management	1,000	1,064	1,250	1,300	1,300	1,300	1,450	1,500	1,700
Municipal Systems Improvement	750	790	800	890	890	890	934	967	1,018
EPWP Incentive	–	1,551	2,452	2,285	3,285	3,285	2,933	–	–
EPWP Piont Duty	–	–	217	–	–	–	–	–	–
Energy Efficiency and Demand Management	4,062	–	–	5,000	5,000	5,000	–	–	–
Infrastructure Skills Development Grant	–	–	1,739	3,000	3,000	3,000	2,495	3,000	3,000
Municipal Infrastructure Grant - PMU	–	1,670	2,200	2,091	2,091	2,091	1,897	1,959	2,042
Public Transport Network Operating Grant	–	–	–	89,389	89,389	89,389	60,449	54,311	11,769
Municipal Drought Relief Grant	2,583	–	–	–	–	–	–	–	–
<b>Provincial Government:</b>	71,747	79,404	76,592	57,053	44,666	44,666	55,646	105,737	115,133
Housing	61,593	68,524	38,947	25,510	10,622	10,622	14,964	55,108	65,725
Proclaimed Roads	325	175	23,415	24,545	24,545	24,545	8,186	–	–
Public Transport Infrastructure	–	–	2,000	–	–	–	–	–	–
Local Government Masterplanning Grant	396	–	396	396	396	396	600	600	600
Library Grant	1,018	1,240	1,364	1,602	2,505	2,505	6,587	9,472	7,920
Community Development Workers Operating Grant	149	206	162	–	98	98	88	93	98
Cleanest Town Competition	120	–	–	–	–	–	–	–	–
Greenest Town Competition	–	60	–	–	–	–	–	–	–
Integrated Public Transport Grant	–	9,000	10,000	5,000	5,000	5,000	25,000	40,230	40,544
Khulani Woman's Project	–	–	–	–	–	–	–	–	–
Financial Management Support Grant	–	200	200	–	400	400	–	–	–
Thusong Services Centres Grant	–	–	109	–	–	–	221	234	246
Financial Management Support Grant ( Government Suppo	–	–	–	–	1,100	1,100	–	–	–
Flood Damage - Housing	3,000	–	–	–	–	–	–	–	–
Swimming Pool Grant - Heather Park	147	–	–	–	–	–	–	–	–
Provincial Contribution towards the Acceleration of Housin	5,000	–	–	–	–	–	–	–	–
<b>District Municipality:</b>	500	–	–	–	2,000	2,000	–	–	–
Storm Water Master Planning Grant	500	–	–	–	–	–	–	–	–
Flood Damage	–	–	–	–	2,000	2,000	–	–	–
<b>Other grant providers:</b>	2,509	3,545	7,912	500	15,756	15,756	24,133	–	–
DWAF	1,788	2,253	3,232	–	–	–	–	–	–
Refuse Transfer Station	–	–	–	–	–	–	–	–	–
LGSETA	524	1,292	1,083	500	500	500	–	–	–
SANRALL - N2/York Street bridge widening	–	–	3,597	–	15,256	15,256	24,133	–	–
Storm Water Master Planning (DBSA)	197	–	–	–	–	–	–	–	–
<b>Total Operating Transfers and Grants</b>	142,492	160,225	173,533	247,224	253,092	253,092	242,334	267,603	244,382
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	43,275	46,663	52,423	148,744	218,432	218,432	118,649	117,808	157,246
Municipal Infrastructure Grant (MIG)	22,174	34,639	41,842	39,724	39,724	39,724	36,049	37,224	38,790
Regional Bulk Infrastructure	17,163	5,499	–	11,390	–	–	11,390	–	–
Integrated National Electrification Programme	2,000	5,349	8,400	6,000	3,078	3,078	8,900	14,900	20,000
Infrastructure Skills Development	–	–	1,261	–	–	–	505	–	–
Expanded Public Works Programme	–	990	921	1,000	–	–	–	–	–
Public Transport Infrastructure Grant	–	–	–	90,630	175,630	175,630	61,805	65,684	98,456
Finance Management	–	186	–	–	–	–	–	–	–
Municipal Drought Relief Grant	–	–	–	–	–	–	–	–	–
Electricity Demand Side Grant	1,938	–	–	–	–	–	–	–	–
Finance Management	–	–	–	–	–	–	–	–	–
<b>Provincial Government:</b>	12,927	13,867	31,443	56,995	66,703	66,703	17,125	–	–
Housing	2,999	4,867	29,943	47,995	39,573	39,573	11,863	–	–
Contribution towards acceleration of housing delivery	–	–	–	7,500	9,400	9,400	–	–	–
Mobility Strategy	9,900	2,000	–	–	–	–	–	–	–
Khulani Woman's Project	–	–	–	–	–	–	–	–	–
Library Grant	28	–	–	–	230	230	3,762	–	–
George Integrated Public Transport Network	–	7,000	1,500	1,500	17,500	17,500	1,500	–	–
<b>District Municipality:</b>	–	–	–	–	1,000	1,000	6,000	–	–
Flood Damage	–	–	–	–	1,000	1,000	6,000	–	–
<b>Other grant providers:</b>	–	29	1,449	–	2,640	2,640	500	–	–
SWD Cricket	–	29	–	–	–	–	–	–	–
Youth Development against Violence though Sport	–	–	449	–	2,495	2,495	–	–	–
National Lotteries Board	–	–	1,000	–	145	145	500	–	–
<b>Total Capital Transfers and Grants</b>	56,202	60,559	85,316	205,739	288,776	288,776	142,274	117,808	157,246
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	198,694	220,784	258,848	452,963	541,868	541,868	384,608	385,411	401,628

**Table 25 – SA19: Expenditure on transfers and grants**

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>EXPENDITURE:</b>									
<b><u>Operating expenditure of Transfers and Grants</u></b>									
<b>National Government:</b>	<b>67,491</b>	<b>82,227</b>	<b>88,770</b>	<b>189,671</b>	<b>190,671</b>	<b>190,671</b>	<b>162,555</b>	<b>161,866</b>	<b>129,249</b>
Local Government Equitable Share	59,340	72,201	80,370	85,716	85,716	85,716	92,397	100,129	109,720
Finance Management	1,516	2,676	1,250	1,300	1,300	1,300	1,450	1,500	1,700
Municipal Systems Improvement	398	1,227	800	890	890	890	934	967	1,018
EPWP Incentive	–	933	2,452	2,285	3,285	3,285	2,933	–	–
EPWP Piont Duty	–	–	217	–	–	–	–	–	–
Energy Efficiency and Demand Management	3,654	3,520	–	5,000	5,000	5,000	–	–	–
Infrastructure Skills Development Grant	–	–	1,478	3,000	3,000	3,000	2,495	3,000	3,000
Municipal Infrastructure Grant - PMU	–	1,670	2,202	2,091	2,091	2,091	1,897	1,959	2,042
Public Transport Network Operating Grant	–	–	–	89,389	89,389	89,389	60,449	54,311	11,769
Municipal Drought Relief Grant	2,583	–	–	–	–	–	–	–	–
<b>Provincial Government:</b>	<b>66,952</b>	<b>68,323</b>	<b>52,927</b>	<b>57,053</b>	<b>88,780</b>	<b>88,780</b>	<b>55,646</b>	<b>105,737</b>	<b>115,133</b>
Housing	63,439	65,873	39,211	25,510	28,956	28,956	14,964	55,108	65,725
Proclaimed Roads	325	175	10,212	24,545	28,929	28,929	8,186	–	–
Public Transport Infrastructure	–	–	120	–	–	–	–	–	–
Local Government Masterplanning Grant	396	–	396	396	396	396	600	600	600
Library Grant	938	1,131	1,385	1,602	2,672	2,672	6,587	9,472	7,920
Community Development Workers Operating Grant	174	122	74	–	270	270	88	93	98
Cleanest Town Competition	25	–	35	–	–	–	–	–	–
Greenest Town Competition	–	60	29	–	–	–	–	–	–
Integrated Public Transport Grant	–	–	920	5,000	24,161	24,161	25,000	40,230	40,544
Khulani Woman's Project	–	–	80	–	–	–	–	–	–
Financial Management Support Grant	–	39	361	–	400	400	–	–	–
Thusong Services Centres Grant	–	–	105	–	–	–	221	234	246
Financial Management Support Grant ( Government Support )	–	–	–	–	1,100	1,100	–	–	–
Haarlem Sidewalk Project	–	–	–	–	1,896	1,896	–	–	–
Flood Damage - Housing	1,476	515	–	–	–	–	–	–	–
Swimming Pool Grant - Heather Park	–	147	–	–	–	–	–	–	–
Housing Consumer Education	116	–	–	–	–	–	–	–	–
Spatial Development Framework	63	262	–	–	–	–	–	–	–
<b>District Municipality:</b>	<b>500</b>	<b>197</b>	<b>–</b>	<b>–</b>	<b>2,000</b>	<b>2,000</b>	<b>–</b>	<b>–</b>	<b>–</b>
Storm Water Master Planning Grant	500	197	–	–	–	–	–	–	–
Flood Damage	–	–	–	–	2,000	2,000	–	–	–
<b>Other grant providers:</b>	<b>2,312</b>	<b>3,491</b>	<b>8,435</b>	<b>500</b>	<b>17,349</b>	<b>17,349</b>	<b>–</b>	<b>–</b>	<b>–</b>
DWAF	1,788	2,199	3,130	–	–	–	–	–	–
Refuse Transfer Station	–	–	202	–	–	–	–	–	–
LGSETA	524	1,292	1,083	500	500	500	–	–	–
SANRAL - N2/York Street bridge widening	–	–	4,020	–	16,849	16,849	–	–	–
<b>Total operating expenditure of Transfers and Grants:</b>	<b>137,255</b>	<b>154,239</b>	<b>150,132</b>	<b>247,224</b>	<b>298,800</b>	<b>298,800</b>	<b>218,201</b>	<b>267,603</b>	<b>244,382</b>
<b><u>Capital expenditure of Transfers and Grants</u></b>									
<b>National Government:</b>	<b>60,775</b>	<b>44,139</b>	<b>44,768</b>	<b>148,744</b>	<b>220,243</b>	<b>220,243</b>	<b>118,649</b>	<b>117,808</b>	<b>157,246</b>
Municipal Infrastructure Grant (MIG)	13,371	37,434	40,283	39,724	39,724	39,724	36,049	37,224	38,790
Regional Bulk Infrastructure	8,000	180	–	11,390	–	–	11,390	–	–
Integrated National Electrification Programme	1,776	5,349	2,193	6,000	4,628	4,628	8,900	14,900	20,000
Infrastructure Skills Development	–	–	1,261	–	261	261	505	–	–
Expanded Public Works Programme	–	990	1,031	1,000	–	–	–	–	–
Public Transport Infrastructure Grant	–	–	–	90,630	175,630	175,630	61,805	65,684	98,456
Finance Management	32,013	–	–	–	–	–	–	–	–
Municipal Drought Relief Grant	44	–	–	–	–	–	–	–	–
Electricity Demand Side Grant	4,895	–	–	–	–	–	–	–	–
Finance Management	675	186	–	–	–	–	–	–	–
<b>Provincial Government:</b>	<b>10,851</b>	<b>12,040</b>	<b>40,291</b>	<b>56,995</b>	<b>66,735</b>	<b>66,735</b>	<b>17,125</b>	<b>–</b>	<b>–</b>
Housing	2,999	4,867	29,943	47,995	39,573	39,573	11,863	–	–
Contribution towards acceleration of housing delivery	–	–	–	7,500	9,400	9,400	–	–	–
Mobility Strategy	7,824	7,173	1,881	–	–	–	–	–	–
Khulani Woman's Project	–	–	–	–	–	–	–	–	–
Library Grant	28	–	–	–	230	230	3,762	–	–
George Integrated Public Transport Network	–	–	8,468	1,500	17,532	17,532	1,500	–	–
<b>District Municipality:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,000</b>	<b>1,000</b>	<b>6,000</b>	<b>–</b>	<b>–</b>
Flood Damage	–	–	–	–	1,000	1,000	6,000	–	–
<b>Other grant providers:</b>	<b>–</b>	<b>–</b>	<b>2,893</b>	<b>–</b>	<b>2,840</b>	<b>2,840</b>	<b>500</b>	<b>–</b>	<b>–</b>
SWD Cricket	–	–	–	–	–	–	–	–	–
Youth Development against Violence though Sport	–	–	2,231	–	2,495	2,495	–	–	–
National Lotteries Board	–	–	663	–	345	345	500	–	–
<b>Total capital expenditure of Transfers and Grants</b>	<b>71,626</b>	<b>56,179</b>	<b>87,952</b>	<b>205,739</b>	<b>290,819</b>	<b>290,819</b>	<b>142,274</b>	<b>117,808</b>	<b>157,246</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>208,881</b>	<b>210,417</b>	<b>238,085</b>	<b>452,963</b>	<b>589,619</b>	<b>589,619</b>	<b>360,475</b>	<b>385,411</b>	<b>401,628</b>

**Table 26 – SA20: Reconciliation of transfers, grants receipts and unspent funds**

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Operating transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	2,888	2,457	(2,494)	–	(3,112)	(3,112)	–	–	–
Current year receipts	67,061	75,725	86,859	187,386	187,386	187,386	159,622	161,866	129,249
<b>Conditions met - transferred to revenue</b>	<b>67,491</b>	<b>80,677</b>	<b>87,476</b>	<b>187,386</b>	<b>184,274</b>	<b>184,274</b>	<b>159,622</b>	<b>161,866</b>	<b>129,249</b>
Conditions still to be met - transferred to liabilities	2,457	(2,494)	(3,112)	–	–	–	–	–	–
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	(12,181)	(7,375)	4,033	(4,375)	43,623	43,623	–	–	–
Current year receipts	71,747	79,404	78,115	57,053	44,666	44,666	55,646	105,737	115,133
<b>Conditions met - transferred to revenue</b>	<b>66,942</b>	<b>68,076</b>	<b>51,235</b>	<b>52,678</b>	<b>88,288</b>	<b>88,288</b>	<b>55,646</b>	<b>105,737</b>	<b>115,133</b>
Conditions still to be met - transferred to liabilities	(7,375)	3,953	30,913	–	–	–	–	–	–
<b>District Municipality:</b>									
Balance unspent at beginning of the year	–	–	202	–	–	–	–	–	–
Current year receipts	500	–	–	–	2,000	2,000	–	–	–
<b>Conditions met - transferred to revenue</b>	<b>500</b>	<b>–</b>	<b>202</b>	<b>–</b>	<b>2,000</b>	<b>2,000</b>	<b>–</b>	<b>–</b>	<b>–</b>
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	–	(361)	(504)	–	(423)	(825)	–	–	–
Current year receipts	2,509	3,545	7,912	–	15,256	15,256	24,133	–	–
<b>Conditions met - transferred to revenue</b>	<b>2,870</b>	<b>3,688</b>	<b>8,233</b>	<b>–</b>	<b>14,832</b>	<b>14,431</b>	<b>24,133</b>	<b>–</b>	<b>–</b>
Conditions still to be met - transferred to liabilities	(361)	(504)	(825)	–	–	–	–	–	–
<b>Total operating transfers and grants revenue</b>	<b>137,802</b>	<b>152,440</b>	<b>147,146</b>	<b>240,064</b>	<b>289,395</b>	<b>288,993</b>	<b>239,401</b>	<b>267,603</b>	<b>244,382</b>
<b>Total operating transfers and grants - CTBM</b>	<b>(5,279)</b>	<b>955</b>	<b>26,977</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Capital transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	(43,928)	7,532	8,752	11,390	1,811	1,811	11,390	–	–
Current year receipts	116,367	46,663	51,051	137,354	218,432	218,432	107,259	117,808	157,246
<b>Conditions met - transferred to revenue</b>	<b>64,908</b>	<b>45,442</b>	<b>43,684</b>	<b>137,354</b>	<b>220,243</b>	<b>220,243</b>	<b>118,649</b>	<b>117,808</b>	<b>157,246</b>
Conditions still to be met - transferred to liabilities	7,532	8,752	16,120	11,390	–	–	–	–	–
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	5,057	7,133	8,881	–	32	32	–	–	–
Current year receipts	12,927	13,867	31,611	56,995	66,703	66,703	17,125	–	–
<b>Conditions met - transferred to revenue</b>	<b>10,851</b>	<b>12,040</b>	<b>40,460</b>	<b>56,995</b>	<b>66,735</b>	<b>66,735</b>	<b>17,125</b>	<b>–</b>	<b>–</b>
Conditions still to be met - transferred to liabilities	7,133	8,960	32	–	–	–	–	–	–
<b>District Municipality:</b>									
Balance unspent at beginning of the year	202	402	200	–	–	200	–	–	–
Current year receipts	200	–	–	–	1,000	1,000	6,000	–	–
<b>Conditions met - transferred to revenue</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,000</b>	<b>1,000</b>	<b>6,000</b>	<b>–</b>	<b>–</b>
Conditions still to be met - transferred to liabilities	402	402	200	–	–	200	–	–	–
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	–	–	–	–	(1,429)	(1,429)	–	–	–
Current year receipts	–	29	1,449	–	4,269	4,269	500	–	–
<b>Conditions met - transferred to revenue</b>	<b>–</b>	<b>29</b>	<b>2,741</b>	<b>–</b>	<b>2,840</b>	<b>2,840</b>	<b>500</b>	<b>–</b>	<b>–</b>
Conditions still to be met - transferred to liabilities	–	–	(1,292)	–	–	–	–	–	–
<b>Total capital transfers and grants revenue</b>	<b>75,759</b>	<b>57,511</b>	<b>86,885</b>	<b>194,349</b>	<b>290,818</b>	<b>290,818</b>	<b>142,274</b>	<b>117,808</b>	<b>157,246</b>
<b>Total capital transfers and grants - CTBM</b>	<b>15,067</b>	<b>18,115</b>	<b>15,060</b>	<b>11,390</b>	<b>–</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>	<b>213,561</b>	<b>209,951</b>	<b>234,032</b>	<b>434,413</b>	<b>580,213</b>	<b>579,811</b>	<b>381,675</b>	<b>385,411</b>	<b>401,628</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>	<b>9,789</b>	<b>19,070</b>	<b>42,036</b>	<b>11,390</b>	<b>–</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>

### 2.7.4 Councillors and employee benefits

The total remuneration has increased from R311 million to R326 million. The increase of R15 million can be contributed to:

- Salary increase of 7% for councillors and employees,
- Provision for temporary staff members and piece workers of R14.4 million;
- Overtime of R16.6 thousand; and

- A decrease of R12 million in vacant positions.

**Table 27 – SA22: Summary of councillor and staff benefits**

Summary of Employee and Councillor remuneration	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand		A	B	C	D	E	F	G	H	I
<b><u>Councillors (Political Office Bearers plus Other)</u></b>	1									
Basic Salaries and Wages		6,824	9,158	9,534	11,484	11,484	11,484	12,288	13,148	14,069
Pension and UIF Contributions		729	685	764	730	730	730	781	835	894
Medical Aid Contributions		84	108	161	135	135	135	144	154	165
Motor Vehicle Allowance		2,538	3,232	3,393	3,828	3,828	3,828	4,096	4,383	4,690
Cellphone Allowance		516	684	716	775	775	775	830	888	950
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		–	–	–	–	–	–	–	–	–
<b>Sub Total - Councillors</b>		<b>10,691</b>	<b>13,868</b>	<b>14,568</b>	<b>16,952</b>	<b>16,952</b>	<b>16,952</b>	<b>18,139</b>	<b>19,409</b>	<b>20,767</b>
<b>% increase</b>	4		<b>29.7%</b>	<b>5.0%</b>	<b>16.4%</b>	<b>–</b>	<b>–</b>	<b>7.0%</b>	<b>7.0%</b>	<b>7.0%</b>
<b><u>Senior Managers of the Municipality</u></b>	2									
Basic Salaries and Wages		5,534	4,145	8,273	10,184	10,184	10,184	10,896	11,659	12,475
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		(14)	587	136	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>5,519</b>	<b>4,732</b>	<b>8,409</b>	<b>10,184</b>	<b>10,184</b>	<b>10,184</b>	<b>10,896</b>	<b>11,659</b>	<b>12,475</b>
<b>% increase</b>	4		<b>(14.3%)</b>	<b>77.7%</b>	<b>21.1%</b>	<b>–</b>	<b>–</b>	<b>7.0%</b>	<b>7.0%</b>	<b>7.0%</b>
<b><u>Other Municipal Staff</u></b>										
Basic Salaries and Wages		123,347	134,188	145,863	178,207	179,675	179,675	184,616	197,374	211,283
Pension and UIF Contributions		21,619	23,710	25,633	29,511	29,551	29,551	35,592	38,084	40,751
Medical Aid Contributions		8,655	9,840	10,539	15,530	15,530	15,530	16,617	17,780	19,025
Overtime		13,775	16,666	18,148	16,709	17,159	17,159	15,278	20,972	14,387
Performance Bonus		134	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	7,799	8,622	10,482	10,725	10,955	10,955	11,195	11,977	12,814
Cellphone Allowance	3	510	631	721	677	691	691	755	808	865
Housing Allowances	3	1,271	1,328	1,255	1,174	1,174	1,174	1,076	1,152	1,233
Other benefits and allowances	3	17,445	18,714	18,854	15,555	15,562	15,562	17,334	18,308	28,320
Payments in lieu of leave		10,048	10,739	11,570	12,412	12,412	12,412	13,582	14,533	15,550
Long service awards		919	796	1,006	1,203	1,203	1,203	1,288	1,378	1,474
Post-retirement benefit obligations	6	17,731	18,919	16,648	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		<b>223,254</b>	<b>244,151</b>	<b>260,717</b>	<b>281,703</b>	<b>283,912</b>	<b>283,912</b>	<b>297,333</b>	<b>322,366</b>	<b>345,703</b>
<b>% increase</b>	4		<b>9.4%</b>	<b>6.8%</b>	<b>8.0%</b>	<b>0.8%</b>	<b>–</b>	<b>4.7%</b>	<b>8.4%</b>	<b>7.2%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>239,464</b>	<b>262,751</b>	<b>283,694</b>	<b>308,839</b>	<b>311,048</b>	<b>311,048</b>	<b>326,368</b>	<b>353,434</b>	<b>378,945</b>
<b>% increase</b>	4		<b>9.7%</b>	<b>8.0%</b>	<b>8.9%</b>	<b>0.7%</b>	<b>–</b>	<b>4.9%</b>	<b>8.3%</b>	<b>7.2%</b>
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>228,773</b>	<b>248,883</b>	<b>269,126</b>	<b>291,887</b>	<b>294,096</b>	<b>294,096</b>	<b>308,229</b>	<b>334,025</b>	<b>358,178</b>

**Table 28 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers)**

**George Municipality – 2014/15 Draft Annual Budget and MTREF**

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
<b>Rand per annum</b>			<b>1.</b>				<b>2.</b>
<b>Councillors</b>							
Speaker	1	460,446	–	135,980			596,426
Chief Whip	1	460,446	–	135,980			596,426
Executive Mayor	1	575,559	–	164,758			740,317
Deputy Executive Mayor	1	460,446	–	135,980			596,426
Executive Committee	9	3,885,018	–	1,159,067			5,044,085
Total for all other councillors	36	6,446,259	924,980	3,193,857			10,565,096
<b>Total Councillors</b>	<b>49</b>	<b>12,288,174</b>	<b>924,980</b>	<b>4,925,620</b>			<b>18,138,774</b>
<b>Senior Managers of the Municipality</b>							
Municipal Manager (MM)	1	1,809,300	–	–	–		1,809,300
Chief Financial Officer	1	1,580,400	–	–	–		1,580,400
Director: Civil Engineering	1	1,501,300	–	–	–		1,501,300
Director: Electrotechnical Services	1	1,501,300	–	–	–		1,501,300
Director: Human Settlements, Land Affairs and Planning	1	1,501,300	–	–	–		1,501,300
Director: Corporate Services	1	1,501,300	–	–	–		1,501,300
<i>List of each official with packages &gt;= senior manager</i>							
Director: Community Safety		1,501,300	–	–	–		1,501,300
<b>Total Senior Managers of the Municipality</b>	<b>6</b>	<b>10,896,200</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>10,896,200</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	<b>55</b>	<b>23,184,374</b>	<b>924,980</b>	<b>4,925,620</b>	<b>–</b>		<b>29,034,974</b>

**Table 29 – SA24: Summary of personnel numbers**

Summary of Personnel Numbers	2012/13			Current Year 2013/14			Budget Year 2014/15		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>									
Councillors (Political Office Bearers plus Other Councillors)	49	–	49	49		49	49		49
Board Members of municipal entities	–	–	–						
<b>Municipal employees</b>									
Municipal Manager and Senior Managers	8	–	5	7		7	7		6
Other Managers	–	–	–						
<b>Professionals</b>	<b>62</b>	<b>51</b>	<b>–</b>	<b>66</b>	<b>57</b>	<b>–</b>	<b>68</b>	<b>60</b>	<b>–</b>
Finance	8	6	–	9	7	–	9	7	–
Spatial/town planning	8	7	–	8	7	–	8	6	–
Information Technology	1	–	–	2	1	–	4	3	–
Roads	–	–	–	–	–	–	–	–	–
Electricity	5	5	–	5	5	–	5	5	–
Water	2	2	–	2	2	–	2	2	–
Sanitation	4	4	–	4	4	–	4	4	–
Refuse	1	1	–	1	1	–	1	1	–
Other	33	26	–	35	30	–	35	32	–
<b>Technicians</b>	<b>171</b>	<b>135</b>	<b>–</b>	<b>201</b>	<b>181</b>	<b>–</b>	<b>204</b>	<b>173</b>	<b>–</b>
Finance	34	30	–	35	30	–	35	30	–
Spatial/town planning	31	28	–	31	28	–	31	28	–
Information Technology	3	2	–	3	3	–	3	3	–
Roads	5	3	–	5	4	–	5	4	–
Electricity	25	15	–	23	21	–	23	21	–
Water	10	8	–	25	22	–	25	20	–
Sanitation	8	8	–	8	8	–	8	8	–
Refuse	–	–	–	–	–	–	–	–	–
Other	55	41	–	71	65	–	74	59	–
Clerks (Clerical and administrative)	222	215	–	200	195	–	205	195	–
Service and sales workers	–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers	–	–	–	–	–	–	–	–	–
Craft and related trades	–	–	–	–	–	–	–	–	–
Plant and Machine Operators	260	251	–	270	269	–	270	261	–
Elementary Occupations	386	350	–	281	278	–	281	270	–
<b>TOTAL PERSONNEL NUMBERS</b>	<b>1,158</b>	<b>1,002</b>	<b>54</b>	<b>1,074</b>	<b>980</b>	<b>56</b>	<b>1,084</b>	<b>959</b>	<b>55</b>
<b>% increase</b>				(7.3%)	(2.2%)	3.7%	0.9%	(2.1%)	(1.8%)
<b>Total municipal employees headcount</b>	<b>1,020</b>	<b>877</b>	<b>54</b>	<b>938</b>	<b>852</b>	<b>–</b>	<b>948</b>	<b>831</b>	<b>–</b>
Finance personnel headcount	119	108	–	118	110	–	118	110	–
Human Resources personnel headcount	19	17	–	18	18	–	18	18	–

## 2.7.5 Monthly targets for revenue, expenditure and cash flow

Table 30 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type

Description	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue By Source</b>															
Property rates	164,592	–	–	–	–	–	–	–	–	–	–	–	164,592	174,386	184,773
Property rates - penalties & collection charges	68	558	497	253	276	465	241	451	2,108	373	423	(204)	5,509	5,812	6,120
Service charges - electricity revenue	44,764	39,461	39,382	38,687	39,442	37,349	35,722	42,790	35,306	37,340	42,450	44,623	477,317	502,140	532,268
Service charges - water revenue	13,466	5,075	6,115	8,992	5,975	7,191	8,030	13,699	6,626	6,958	6,631	4,839	93,596	95,736	101,241
Service charges - sanitation revenue	60,245	–	–	–	–	–	–	–	–	–	–	–	60,245	59,853	62,689
Service charges - refuse revenue	44,379	–	–	–	–	–	–	–	–	–	–	–	44,379	44,505	46,838
Service charges - other	386	2	1	2	1	(0)	–	0	0	1	0	3	396	419	444
Rental of facilities and equipment	1,080	105	96	105	142	97	107	89	164	95	99	111	2,289	2,426	2,571
Interest earned - external investments	1,828	2,217	2,275	2,226	2,338	2,557	2,605	2,029	1,689	–	4,212	(5,242)	18,732	19,856	21,047
Interest earned - outstanding debtors	355	355	401	400	510	370	366	325	337	346	343	285	4,392	4,656	4,936
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines	1,773	1,085	1,354	1,092	1,251	785	632	1,643	1,983	1,494	1,885	1,724	16,700	17,702	18,764
Licences and permits	217	197	99	96	300	173	324	292	186	323	204	189	2,601	2,758	2,923
Agency services	711	589	479	(102)	1,295	496	753	(195)	447	148	327	1,637	6,586	6,982	7,400
Transfers recognised - operational	992	15,647	39,129	992	23,833	39,129	992	15,647	39,129	992	15,647	44,385	236,512	267,746	244,560
Other revenue	955	913	636	861	2,178	941	487	1,278	565	774	640	5,172	15,398	16,333	17,700
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>335,811</b>	<b>66,203</b>	<b>90,463</b>	<b>53,604</b>	<b>77,541</b>	<b>89,552</b>	<b>50,259</b>	<b>78,047</b>	<b>88,541</b>	<b>48,843</b>	<b>72,860</b>	<b>97,521</b>	<b>1,149,245</b>	<b>1,221,308</b>	<b>1,254,276</b>
<b>Expenditure By Type</b>															
Employee related costs	28,926	30,861	30,638	33,610	44,876	31,722	33,764	32,112	22,199	38,596	30,091	(49,166)	308,229	334,025	358,178
Remuneration of councillors	1,371	1,538	1,455	1,465	1,461	1,464	1,837	1,539	1,788	1,398	1,400	1,422	18,139	19,409	20,767
Debt impairment	–	–	–	–	–	–	–	–	–	–	–	–	20,000	20,000	24,440
Depreciation & asset impairment	9,262	9,262	9,262	9,262	9,262	9,262	9,262	9,262	9,262	9,262	9,262	9,526	111,412	106,481	102,968
Finance charges	–	–	–	–	–	24,491	–	–	–	–	–	–	23,493	47,984	39,610
Bulk purchases	22	41,342	39,837	23,725	24,764	23,617	23,389	22,329	21,175	22,107	22,050	59,644	324,002	350,116	378,336
Other materials	15	35	31	25	23	12	22	22	12	20	11	41	268	282	297
Contracted services	5,911	14,630	14,118	15,425	17,406	18,242	8,924	12,018	15,285	13,431	15,742	30,588	181,722	193,293	162,746
Transfers and grants	147	238	294	154	193	741	495	147	150	149	144	191	3,043	3,159	3,294
Other expenditure	12,935	15,019	18,088	21,567	16,343	17,324	15,829	14,298	17,687	2,851	18,747	30,510	201,198	207,758	220,598
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>58,589</b>	<b>112,925</b>	<b>113,725</b>	<b>105,234</b>	<b>114,328</b>	<b>126,876</b>	<b>93,521</b>	<b>91,728</b>	<b>87,560</b>	<b>87,814</b>	<b>97,448</b>	<b>126,248</b>	<b>1,215,996</b>	<b>1,281,405</b>	<b>1,311,235</b>
<b>Surplus/(Deficit)</b>	<b>277,222</b>	<b>(46,722)</b>	<b>(23,262)</b>	<b>(51,630)</b>	<b>(36,787)</b>	<b>(37,324)</b>	<b>(43,262)</b>	<b>(13,680)</b>	<b>981</b>	<b>(38,971)</b>	<b>(24,587)</b>	<b>(28,727)</b>	<b>(66,751)</b>	<b>(60,097)</b>	<b>(56,959)</b>
Transfers recognised - capital	1,070	10,691	17,776	1,070	10,691	17,776	1,070	10,691	17,776	1,070	10,691	17,969	118,340	111,407	150,027
Contributions recognised - capital	1,235	2,005	(249)	403	408	23	54	2,510	196	696	239	230	7,750	8,279	8,810
Contributed assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit)</b>	<b>279,527</b>	<b>(34,026)</b>	<b>(5,735)</b>	<b>(50,157)</b>	<b>(25,687)</b>	<b>(19,525)</b>	<b>(42,139)</b>	<b>(479)</b>	<b>18,952</b>	<b>(37,206)</b>	<b>(13,657)</b>	<b>(10,528)</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>

**Table 31 – SA26: Budgeted monthly revenue and expenditure by municipal vote**

Description	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>															
<b>Revenue by Vote</b>															
Vote 1 - Office of the Municipal Manager	31	10	9	33	28	14	32	15	13	35	10	10	238	159	169
Vote 2 - Corporate Services	54	269	29	53	347	11	38	255	37	52	274	98	1,518	1,618	1,724
Vote 3 - Corporate Services	171	338	26	100	324	35	111	337	36	120	340	62	2,000	2,094	2,196
Vote 4 - Community Services	3,314	3,239	1,945	1,333	4,233	1,469	1,972	3,108	2,628	2,218	3,785	3,945	33,189	38,504	38,696
Vote 5 - Community Services	1,101	354	113	1,080	307	76	1,067	151	79	1,053	182	303	5,866	5,603	6,199
Vote 6 - Community Services	44,513	132	5,657	148	141	5,647	139	140	5,646	130	132	5,655	68,081	70,054	74,266
Vote 7 - Human Settlements, Land Affairs & Planning	1,530	6,453	243	455	4,094	331	255	4,054	286	404	4,092	658	22,855	63,289	74,400
Vote 8 - Civil Engineering Services	75,297	19,560	57,421	9,853	30,323	58,829	8,728	31,113	58,274	7,867	21,659	62,453	441,378	415,633	420,541
Vote 9 - Electrotechnical Services	45,218	45,286	39,488	39,091	45,698	37,747	35,918	49,022	35,420	37,952	48,220	45,872	504,932	537,229	575,745
Vote 10 - Financial Services	166,654	2,726	2,748	2,459	2,895	2,824	2,834	2,572	1,966	245	4,731	(3,158)	189,496	200,732	212,731
Vote 11 - Financial Services	232	531	309	471	250	367	288	481	2,127	533	367	(177)	5,782	6,078	6,445
<b>Total Revenue by Vote</b>	<b>338,116</b>	<b>78,899</b>	<b>107,989</b>	<b>55,077</b>	<b>88,640</b>	<b>107,351</b>	<b>51,382</b>	<b>91,248</b>	<b>106,512</b>	<b>50,608</b>	<b>83,791</b>	<b>115,720</b>	<b>1,275,334</b>	<b>1,340,994</b>	<b>1,413,113</b>
<b>Expenditure by Vote to be appropriated</b>															
Vote 1 - Office of the Municipal Manager	10,733	11,656	11,328	12,903	13,055	12,543	12,933	11,740	3,578	19,599	11,989	(72,363)	59,693	61,439	64,862
Vote 2 - Corporate Services	1,259	1,262	1,488	1,430	1,644	2,944	1,099	1,337	1,262	1,202	1,226	3,370	19,524	20,600	21,418
Vote 3 - Corporate Services	3,991	1,145	2,761	3,520	1,896	1,610	1,498	743	3,908	(4,571)	4,919	(1,670)	19,751	20,831	22,075
Vote 4 - Community Services	4,256	5,208	5,287	5,355	7,608	5,965	5,592	5,416	5,822	5,420	5,104	7,469	68,503	72,927	77,588
Vote 5 - Community Services	1,264	1,963	1,881	2,245	2,987	3,828	2,205	2,442	1,691	2,301	1,826	3,981	28,614	29,413	30,276
Vote 6 - Community Services	2,866	3,364	3,611	4,322	5,437	4,608	3,549	4,253	3,768	3,653	4,106	11,119	54,655	55,770	59,097
Vote 7 - Human Settlements, Land Affairs & Planning	2,478	3,522	3,903	4,837	4,881	3,820	3,063	2,820	4,768	3,613	4,669	9,546	51,919	94,043	106,544
Vote 8 - Civil Engineering Services	22,319	29,662	31,855	32,154	36,183	49,030	27,142	28,015	29,907	22,042	28,136	69,183	405,628	385,346	350,979
Vote 9 - Electrotechnical Services	5,030	48,409	46,818	31,799	34,146	37,284	31,865	29,629	27,532	29,979	30,733	82,704	435,928	467,050	499,826
Vote 10 - Financial Services	2,909	3,747	3,349	5,394	4,724	3,965	3,215	3,941	2,785	3,128	3,803	11,507	52,466	53,496	56,767
Vote 11 - Financial Services	1,485	2,987	1,443	1,275	1,767	1,279	1,360	1,392	2,538	1,450	937	1,403	19,314	20,490	21,803
<b>Total Expenditure by Vote</b>	<b>58,589</b>	<b>112,925</b>	<b>113,725</b>	<b>105,234</b>	<b>114,328</b>	<b>126,876</b>	<b>93,521</b>	<b>91,728</b>	<b>87,560</b>	<b>87,814</b>	<b>97,448</b>	<b>126,248</b>	<b>1,215,996</b>	<b>1,281,405</b>	<b>1,311,235</b>
<b>Surplus/(Deficit)</b>	<b>279,527</b>	<b>(34,026)</b>	<b>(5,735)</b>	<b>(50,157)</b>	<b>(25,687)</b>	<b>(19,525)</b>	<b>(42,139)</b>	<b>(479)</b>	<b>18,952</b>	<b>(37,206)</b>	<b>(13,657)</b>	<b>(10,528)</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>

**Table 32 – SA27: Budgeted monthly revenue and expenditure by standard classification**

Description	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>															
<b>Revenue - Standard</b>															
<i>Governance and administration</i>	168,246	6,065	2,975	2,962	3,762	3,205	3,258	3,615	4,139	899	5,632	(3,409)	201,347	213,231	225,972
Executive and council	9	9	9	9	27	12	9	11	11	9	9	9	133	140	149
Budget and treasury office	166,812	3,192	2,925	2,798	3,155	3,125	3,056	2,988	4,003	710	5,027	(3,444)	194,346	205,823	218,128
Corporate services	1,425	2,863	41	155	580	68	192	616	125	180	596	26	6,869	7,267	7,695
<i>Community and public safety</i>	3,692	6,676	1,630	2,627	6,817	924	2,076	7,020	2,191	2,947	7,316	2,953	46,869	91,453	102,394
Community and social services	245	1,416	91	148	1,494	48	138	1,371	116	172	1,421	634	7,297	11,542	10,115
Sport and recreation	772	228	66	796	179	50	774	54	12	756	51	237	3,975	3,914	4,400
Public safety	2,353	1,105	1,335	1,303	1,292	754	851	1,666	1,965	1,702	1,911	1,644	17,883	18,473	19,579
Housing	76	3,852	133	133	3,776	67	67	3,853	92	70	3,858	432	16,408	56,455	67,157
Health	247	75	5	247	75	5	247	75	5	247	75	5	1,306	1,069	1,143
<i>Economic and environmental services</i>	1,598	7,219	40,686	508	16,230	40,864	1,346	6,402	40,727	924	6,872	42,265	205,642	177,127	168,642
Planning and development	303	394	241	482	306	329	268	243	209	422	304	369	3,870	4,009	4,250
Road transport	1,296	6,824	40,445	26	15,924	40,535	1,078	6,159	40,518	502	6,568	41,896	201,771	173,116	164,391
Environmental protection	0	0	0	0	0	-	0	0	0	0	0	0	1	1	1
<i>Trading services</i>	164,580	58,938	62,697	48,978	61,831	62,355	44,702	74,208	59,455	45,834	63,970	73,911	821,458	859,165	916,085
Electricity	45,218	45,286	39,488	39,091	45,698	37,747	35,918	49,022	35,420	37,952	48,220	45,872	504,932	537,229	575,745
Water	14,278	5,607	10,381	9,735	6,533	11,448	8,587	14,214	10,907	7,625	7,121	12,702	119,139	121,963	129,249
Waste water management	60,648	7,913	7,171	82	9,458	7,512	136	10,831	7,482	205	8,499	9,682	129,619	130,254	137,184
Waste management	44,435	132	5,657	70	141	5,647	60	140	5,646	52	132	5,655	67,768	69,719	73,907
<i>Other</i>	0	1	1	2	1	1	1	4	1	4	1	1	18	19	20
<b>Total Revenue - Standard</b>	<b>338,116</b>	<b>78,899</b>	<b>107,989</b>	<b>55,077</b>	<b>88,640</b>	<b>107,351</b>	<b>51,382</b>	<b>91,248</b>	<b>106,512</b>	<b>50,608</b>	<b>83,791</b>	<b>115,720</b>	<b>1,275,334</b>	<b>1,340,994</b>	<b>1,413,113</b>



Description	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>															
<b>Expenditure - Standard</b>															
<i>Governance and administration</i>	20,155	20,414	19,878	24,108	22,397	20,147	19,963	18,729	13,748	20,499	22,594	(63,353)	159,279	168,587	178,336
Executive and council	9,936	10,246	9,387	11,007	10,672	10,784	11,594	10,356	2,294	18,227	9,880	(74,476)	39,910	41,409	44,206
Budget and treasury office	4,164	6,919	5,372	7,224	6,929	5,346	4,748	5,145	5,382	4,399	4,481	9,191	69,300	74,307	78,355
Corporate services	6,055	3,249	5,119	5,877	4,796	4,016	3,621	3,228	6,072	(2,127)	8,233	1,932	50,070	52,871	55,775
<i>Community and public safety</i>	6,709	9,650	10,016	10,926	13,784	14,112	9,364	9,611	11,148	10,088	10,447	24,310	140,164	183,027	199,960
Community and social services	1,286	1,339	1,436	1,404	2,116	3,199	1,456	1,322	1,389	1,284	1,398	3,413	21,043	22,151	23,062
Sport and recreation	778	1,169	1,270	1,309	1,799	2,884	1,366	1,472	1,089	1,577	1,113	2,772	18,597	19,195	19,512
Public safety	2,948	3,902	3,994	3,983	5,565	4,505	4,242	4,077	4,524	4,107	3,818	5,759	51,423	54,668	58,145
Housing	1,349	2,623	2,845	3,655	3,497	2,901	1,761	1,968	3,736	2,552	3,575	11,391	41,851	79,647	91,460
Health	348	616	471	575	806	623	540	773	410	568	543	976	7,250	7,366	7,781
<i>Economic and environmental services</i>	13,214	18,948	19,724	21,453	23,940	31,509	17,061	17,462	19,818	11,359	18,273	38,060	250,821	227,699	188,032
Planning and development	1,383	1,284	1,415	1,531	2,090	1,514	1,413	1,369	1,395	1,467	1,536	2,306	18,702	19,847	21,128
Road transport	11,761	17,539	18,207	19,572	21,597	29,829	15,524	15,970	18,322	9,828	16,651	35,606	230,406	206,081	165,060
Environmental protection	70	126	102	349	253	166	124	123	100	64	86	149	1,713	1,771	1,844
<i>Trading services</i>	18,304	63,712	63,872	48,487	53,860	60,837	46,882	45,719	42,666	45,661	45,916	126,994	662,910	699,086	741,704
Electricity	4,751	48,093	46,499	31,412	33,652	36,818	31,549	29,268	27,156	29,658	30,279	82,000	431,134	462,028	494,537
Water	6,202	6,260	7,701	6,869	8,008	11,778	7,068	7,693	7,783	6,757	7,129	18,548	101,795	104,309	107,845
Waste water management	4,881	6,418	6,493	6,302	7,517	8,179	5,120	4,944	4,373	6,065	4,896	15,886	81,073	83,220	86,869
Waste management	2,471	2,942	3,179	3,904	4,684	4,063	3,145	3,814	3,354	3,180	3,613	10,561	48,909	49,530	52,453
<i>Other</i>	206	202	234	261	346	271	251	207	180	208	218	237	2,821	3,006	3,203
<b>Total Expenditure - Standard</b>	<b>58,589</b>	<b>112,925</b>	<b>113,725</b>	<b>105,234</b>	<b>114,328</b>	<b>126,876</b>	<b>93,521</b>	<b>91,728</b>	<b>87,560</b>	<b>87,814</b>	<b>97,448</b>	<b>126,248</b>	<b>1,215,996</b>	<b>1,281,405</b>	<b>1,311,235</b>
<b>Surplus/(Deficit)</b>	<b>279,527</b>	<b>(34,026)</b>	<b>(5,735)</b>	<b>(50,157)</b>	<b>(25,687)</b>	<b>(19,525)</b>	<b>(42,139)</b>	<b>(479)</b>	<b>18,952</b>	<b>(37,206)</b>	<b>(13,657)</b>	<b>(10,528)</b>	<b>59,339</b>	<b>59,588</b>	<b>101,877</b>

**Table 33 – SA28: Budgeted monthly capital expenditure by municipal vote**

Description R thousand	Budget Year 2014/15												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Multi-year expenditure to be appropriated</b>															
Vote 1 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services	-	-	-	-	-	-	-	-	-	3,000	-	-	3,000	2,000	-
Vote 5 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Human Settlements, Land Affairs & Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Civil Engineering Services	-	-	-	-	-	-	-	-	1,029	12,622	-	73,719	87,370	80,337	114,083
Vote 9 - Electrotechnical Services	-	-	-	-	-	-	-	100	200	9,500	-	14,500	24,300	10,956	3,000
Vote 10 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	-	-	-	-	-	-	100	1,229	25,122	-	88,219	114,670	93,293	117,083
<b>Single-year expenditure to be appropriated</b>															
Vote 1 - Office of the Municipal Manager	-	-	-	10	50	100	-	-	500	-	-	1,750	2,410	100	100
Vote 2 - Corporate Services	-	-	-	200	-	-	-	-	-	100	40	-	340	380	280
Vote 3 - Corporate Services	-	-	-	251	-	-	-	-	-	360	355	-	966	980	280
Vote 4 - Community Services	-	-	230	360	339	80	550	64	990	500	500	-	3,613	21,705	16,821
Vote 5 - Community Services	-	-	112	260	620	78	1,698	1,200	960	852	499	630	6,909	5,350	3,400
Vote 6 - Community Services	-	-	-	200	300	1,350	200	6,000	2,760	100	100	1,280	12,290	5,080	1,000
Vote 7 - Human Settlements, Land Affairs & Planning	-	-	-	379	-	-	-	850	2,100	250	7,578	3,448	14,606	22,630	27,160
Vote 8 - Civil Engineering Services	-	-	593	975	15,575	450	1,150	14,200	2,230	11,300	5,900	20,807	73,180	88,496	66,491
Vote 9 - Electrotechnical Services	-	-	-	690	-	50	1,900	-	6,090	200	80	13,900	22,910	28,015	10,300
Vote 10 - Financial Services	-	-	-	-	-	-	-	-	250	50	40	10	350	402	57
Vote 11 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	-	-	935	3,325	16,884	2,108	5,498	22,314	15,880	13,712	15,092	41,825	137,574	173,138	125,889
<b>Total Capital Expenditure</b>	-	-	935	3,325	16,884	2,108	5,498	22,414	17,109	38,834	15,092	130,044	252,243	266,431	242,972

**Table 34 – SA29: Budgeted monthly capital expenditure by standard classification and funding**

Description R thousand	Budget Year 2014/15												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Capital Expenditure - Standard</b>															
<i>Governance and administration</i>	–	–	–	252	50	100	–	–	5,760	410	165	1,760	8,497	3,012	1,217
Executive and council	–	–	–	–	50	100	–	–	500	–	–	1,750	2,400	100	100
Budget and treasury office	–	–	–	–	–	–	–	–	250	50	40	10	350	402	57
Corporate services	–	–	–	252	–	–	–	–	5,010	360	125	–	5,747	2,510	1,060
<i>Community and public safety</i>	–	–	272	1,294	779	158	1,998	2,114	3,720	4,702	8,927	4,328	28,293	48,405	44,122
Community and social services	–	–	–	449	–	–	–	–	580	3,100	400	–	4,529	4,830	80
Sport and recreation	–	–	17	260	620	78	1,448	1,200	960	852	449	880	6,764	3,000	3,400
Public safety	–	–	230	356	159	80	550	64	500	500	500	–	2,939	18,425	13,562
Housing	–	–	–	229	–	–	–	850	1,680	250	7,578	3,448	14,036	22,150	27,080
Health	–	–	25	–	–	–	–	–	–	–	–	–	25	–	–
<i>Economic and environmental services</i>	–	–	400	404	11,755	350	300	5,250	110	3,500	–	70,694	92,763	110,480	143,186
Planning and development	–	–	–	–	–	–	–	–	–	–	–	10	10	–	–
Road transport	–	–	330	404	11,755	350	300	5,250	110	3,500	–	70,684	92,683	110,180	143,186
Environmental protection	–	–	70	–	–	–	–	–	–	–	–	–	70	300	–
<i>Trading services</i>	–	–	263	1,365	4,300	1,500	3,200	15,050	7,519	30,222	6,000	53,272	122,690	104,534	54,447
Electricity	–	–	–	590	–	50	1,900	100	1,500	9,700	–	28,400	42,240	37,521	12,800
Water	–	–	263	575	4,000	100	500	1,450	1,229	300	400	14,992	23,808	23,160	4,770
Waste water management	–	–	–	–	–	–	350	7,500	2,030	20,122	5,500	8,851	44,352	38,773	35,877
Waste management	–	–	–	200	300	1,350	450	6,000	2,760	100	100	1,030	12,290	5,080	1,000
<i>Other</i>	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Standard</b>	–	–	935	3,315	16,884	2,108	5,498	22,414	17,109	38,834	15,092	130,054	252,243	266,431	242,972
<b>Funded by:</b>															
National Government	–	–	193	250	–	–	798	1,900	498	18,024	5,402	87,777	114,841	111,407	132,483
Provincial Government	–	–	–	–	–	–	–	–	1,909	3,500	500	10,834	16,743	2,000	–
District Municipality	–	–	–	425	5,575	–	–	–	–	–	–	–	6,000	2,826	–
Other transfers and grants	–	–	225	580	4,159	300	600	8,350	3,095	3,200	8,293	22,878	51,681	28,386	6,000
<b>Transfers recognised - capital</b>	–	–	418	1,255	9,734	300	1,398	10,250	5,502	24,724	14,195	121,489	189,265	144,619	138,483
<b>Public contributions &amp; donations</b>	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Borrowing</b>	–	–	–	–	100	–	1,100	250	9,070	450	–	2,535	13,505	11,040	7,305
<b>Internally generated funds</b>	–	–	517	2,060	7,050	1,808	3,000	11,914	2,537	13,660	897	6,030	49,473	110,772	97,184
<b>Total Capital Funding</b>	–	–	935	3,315	16,884	2,108	5,498	22,414	17,109	38,834	15,092	130,054	252,243	266,431	242,972

**Table 35 – SA30: Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Cash Receipts By Source</b>													1		
Property rates	9,815	21,923	21,184	18,269	17,299	10,174	8,455	10,045	10,166	9,105	10,117	11,457	158,008	167,410	177,382
Property rates - penalties & collection charges	69	61	75	132	79	133	113	78	377	229	377	3,565	5,289	5,579	5,876
Service charges - electricity revenue	38,312	43,435	37,890	41,009	39,707	39,945	38,275	37,717	38,854	34,283	31,997	36,801	458,224	482,054	510,978
Service charges - water revenue	7,088	8,023	6,963	7,609	7,375	7,894	7,135	8,567	8,489	7,148	6,701	6,860	89,852	91,906	97,192
Service charges - sanitation revenue	4,045	6,710	6,476	4,884	684	3,743	3,620	4,103	4,320	4,076	4,651	10,523	57,836	57,459	60,182
Service charges - refuse revenue	3,273	5,738	5,454	4,146	741	3,120	2,946	3,560	3,625	3,369	3,156	3,475	42,604	42,725	44,965
Service charges - other	19	5	38	25	132	58	60	18	1	1	1	22	380	402	427
Rental of facilities and equipment	63	65	58	70	107	65	70	50	210	608	365	558	2,289	2,426	2,500
Interest earned - external investments	1,193	1,446	1,484	1,452	1,525	1,668	1,699	1,935	1,552	1,524	1,643	1,609	18,732	19,856	21,047
Interest earned - outstanding debtors	284	286	282	253	274	325	358	288	427	435	429	575	4,217	4,470	4,738
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	1,506	1,140	1,301	984	1,129	659	743	1,832	1,642	1,332	1,744	2,689	16,700	17,702	18,764
Licences and permits	248	224	189	25	344	199	372	123	208	267	225	178	2,601	2,758	2,923
Agency services	(177)	1,099	883	(93)	2,414	857	1,388	(153)	263	207	132	(232)	6,586	6,982	7,400
Transfer receipts - operational	31,972	20,141	2,804	3,294	51,946	13,372	19,215	4,224	43,771	429	42,540	8,626	242,334	267,603	244,382
Other revenue	1,637	1,464	1,375	1,895	1,723	1,733	689	1,723	1,701	1,120	1,818	352	17,229	18,276	19,745
<b>Cash Receipts by Source</b>	<b>99,346</b>	<b>111,760</b>	<b>86,457</b>	<b>83,954</b>	<b>125,481</b>	<b>83,944</b>	<b>85,138</b>	<b>74,111</b>	<b>115,605</b>	<b>64,133</b>	<b>105,896</b>	<b>87,056</b>	<b>1,122,881</b>	<b>1,187,608</b>	<b>1,218,499</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	6,726	18,214	-	3,103	11,229	-	11,260	11,229	15,969	853	38,179	25,511	142,274	117,808	157,246
Contributions recognised - capital & Contributed assets	883	279	38	511	187	7	44	458	158	580	422	1,635	5,201	5,575	5,942
Proceeds on disposal of PPE	133	13,598	-	-	-	-	12	1,135	-	-	122	-	15,000	15,000	10,000
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	13,505	13,505	11,040	7,305
Increase (decrease) in consumer deposits	56	60	201	32	43	14	18	64	11	7	5	(16)	495	609	1,046
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>107,143</b>	<b>143,911</b>	<b>86,696</b>	<b>87,600</b>	<b>136,940</b>	<b>83,965</b>	<b>96,472</b>	<b>86,998</b>	<b>131,743</b>	<b>65,573</b>	<b>144,625</b>	<b>127,691</b>	<b>1,299,356</b>	<b>1,337,640</b>	<b>1,400,039</b>

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>															
<b>Cash Payments by Type</b>															
Employee related costs	23,194	23,743	23,999	23,795	36,762	23,892	25,859	23,304	24,533	24,906	26,805	27,935	308,729	334,560	358,750
Remuneration of councillors	1,299	1,360	1,334	1,366	1,353	1,364	1,411	2,135	1,640	1,522	1,526	1,828	18,139	19,409	20,767
Finance charges	-	-	75	-	-	24,353	-	-	43	-	-	23,514	47,984	43,694	39,610
Bulk purchases - Electricity	38,415	38,458	37,060	22,070	23,034	21,967	21,758	22,479	21,285	22,225	22,160	33,091	324,002	350,116	378,336
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	0	-	-	-	-	0	44	89	80	55	268	282	297
Contracted services	422	3,708	2,840	2,750	3,033	5,097	1,470	2,686	21,714	17,878	36,190	38,502	136,291	144,970	122,060
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	6	186	103	184	393	547	449	226	243	205	368	134	3,043	3,159	3,294
Other expenditure	12,635	14,503	15,469	23,269	23,243	38,684	15,564	21,561	10,846	11,707	9,144	4,574	201,198	207,758	220,598
<b>Cash Payments by Type</b>	<b>75,972</b>	<b>81,958</b>	<b>80,881</b>	<b>73,435</b>	<b>87,818</b>	<b>115,903</b>	<b>66,511</b>	<b>72,393</b>	<b>80,348</b>	<b>78,532</b>	<b>96,273</b>	<b>129,632</b>	<b>1,039,654</b>	<b>1,103,948</b>	<b>1,143,712</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2,416	3,141	2,615	3,542	5,608	6,985	2,219	6,374	20,691	21,562	20,865	80,552	176,570	187,034	194,377
Repayment of borrowing	-	-	504	-	-	15,772	-	-	217	-	-	17,151	33,644	36,789	38,997
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>78,388</b>	<b>85,099</b>	<b>84,000</b>	<b>76,977</b>	<b>93,426</b>	<b>138,660</b>	<b>68,730</b>	<b>78,766</b>	<b>101,255</b>	<b>100,093</b>	<b>117,138</b>	<b>227,335</b>	<b>1,249,868</b>	<b>1,327,771</b>	<b>1,377,086</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>28,755</b>	<b>58,812</b>	<b>2,696</b>	<b>10,623</b>	<b>43,514</b>	<b>(54,696)</b>	<b>27,742</b>	<b>8,232</b>	<b>30,488</b>	<b>(34,521)</b>	<b>27,487</b>	<b>(99,645)</b>	<b>49,488</b>	<b>9,869</b>	<b>22,953</b>
Cash/cash equivalents at the month/year begin:	412,283	441,038	499,849	502,546	513,169	556,683	501,988	529,730	537,962	568,449	533,929	561,416	412,283	461,771	471,640
Cash/cash equivalents at the month/year end:	441,038	499,849	502,546	513,169	556,683	501,988	529,730	537,962	568,449	533,929	561,416	461,771	461,771	471,640	494,593

## 2.7.6 External mechanisms

**Table 36 – SA32: List of external mechanisms**

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Aon South Africa (Pty) Ltd	Yrs	3	Short term insurance	30 June 2016	5,597
Coastal Armature Winders & Supplies	Yrs	3	Pumpstation and Switchgear maintenance	30 June 2016	15,000
H2O Plumbers	Yrs	3	Plumbing Maintenance of Municipal buildings	31 October 2014	133
ME Smit Enterprizes	Yrs	1	Operation and maintenance of George Swimming pool	31 March 2015	213
A and R Civils	Yrs	3	Minor civil works	30 November 2016	10,500
Constructive Civil Engineering	Yrs	3	Minor civil works	30 November 2016	10,500
V & V Consulting Engineers (PTY) Ltd	Yrs	3	Consulting engineers to update Pavement Management System	30 December 2014	251
Lithotech Afric Mail a Division of Bidvest Paperplus (PTY) Ltd	Yrs	3	Printing of Monthly accounts	31 January 2015	750
Sebata Municipal Solutions (PTY) Ltd	Yrs	3	Reading of Water / Electricity meters	31 January 2015	1,100
Vox Orion (PTY) Ltd	Yrs	3	Cell Phone call routing	31 March 2015	450
WJVN Civils	Yrs	3	Minor civil works	30 November 2016	10,500
RK Sauer Construction South Cape	Yrs	3	Minor civil works	30 November 2016	10,500
The Blue Room Agency cc	Yrs	3	Provision of hygiene services	07 January 2017	89
Take Care Enterprises	Yrs	1	Supply of soup products	25 September 2014	317
SBV Services (PTY)Ltd	Yrs	2	Transportation of Cash per year	31 October 2014	36
Steiner Hygiene (Pty) Ltd	Yrs	3	Provision of hygiene services	07 January 2017	144
Borchards Contractors	Yrs	3	Collection of recyclable waste	30 June 2015	1,490
Du Plessis Contractors	Yrs	3	Sewer network: Minor civil works	30 June 2016	1,800
Jirah Construction	Yrs	3	Sewer network: Minor civil works	30 June 2016	3,400
Nellie and Jerome Construction cc	Yrs	3	Sewer network: Minor civil works	30 June 2016	1,800
October Sky Planthire and Supplies	Yrs	3	Sewer network: Minor civil works	30 June 2016	1,500
Itron Metering Solutions SA (Pty) Ltd	Yrs	3	Supply of prepayment electricity vending system and services	30 September 2016	48,969

## 2.7.7 Contracts having future budgetary implications

The municipality does not have any contracts that are beyond three years and defined in section 33 of the MFMA.

## 2.7.8 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme.

**Table 37 – SA34a: Capital Expenditure on new assets by asset class**

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>101,452</b>	<b>69,686</b>	<b>100,861</b>	<b>105,530</b>	<b>290,223</b>	<b>290,223</b>	<b>180,850</b>	<b>140,226</b>	<b>125,887</b>
Infrastructure - Road transport	12,749	6,585	21,766	40,975	220,655	220,655	87,295	71,406	100,069
Roads, Pavements & Bridges	12,539	3,603	20,054	39,793	219,655	219,655	81,630	67,581	98,569
Storm water	209	2,982	1,712	1,182	1,000	1,000	5,665	3,826	1,500
Infrastructure - Electricity	35,461	32,441	16,116	16,006	19,801	19,801	42,780	33,656	9,600
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	30,066	32,034	15,965	14,706	18,501	18,501	40,850	31,106	9,600
Street Lighting	5,395	406	151	1,300	1,300	1,300	1,930	2,550	-
Infrastructure - Water	40,222	16,748	27,732	14,818	5,895	5,895	17,640	17,700	100
Dams & Reservoirs	649	53	81	10,092	100	100	11,112	10,500	100
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	39,573	16,694	27,651	4,726	5,795	5,795	6,529	7,200	-
Infrastructure - Sanitation	13,021	11,515	35,737	33,731	43,872	43,872	25,885	16,400	16,050
Reticulation	6,114	11,515	19,573	30,731	41,872	41,872	24,885	16,400	16,050
Sewerage purification	6,907	-	16,164	3,000	2,000	2,000	1,000	-	-
Infrastructure - Other	(0)	2,397	(491)	-	-	-	7,250	1,064	68
Waste Management	-	-	-	-	-	-	7,250	1,000	-
Transportation	-	2,397	(491)	-	-	-	-	64	68
Gas	-	-	-	-	-	-	-	-	-
Other	(0)	0	0	-	-	-	-	-	-
<b>Community</b>	<b>28,057</b>	<b>18,129</b>	<b>(9,608)</b>	<b>52,660</b>	<b>19,247</b>	<b>19,247</b>	<b>5,359</b>	<b>29,498</b>	<b>29,237</b>
Parks & gardens	-	-	-	-	-	-	100	-	-
Sportsfields & stadia	481	424	2,079	4,550	17,172	17,172	3,500	3,000	3,400
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	1,328	1,212	-	-	-	-	-	-	-
Libraries	65	-	-	-	-	-	-	-	-
Recreational facilities	27	180	317	-	-	-	100	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	22,291	14,376	(12,004)	1,000	1,575	1,575	1,370	1,268	837
Buses	-	-	-	46,610	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	2,050	-
Social rental housing	3,031	-	-	-	-	-	-	6,000	6,000
Other	833	1,937	-	500	500	500	289	17,180	19,000
<b>Other assets</b>	<b>4,739</b>	<b>4,474</b>	<b>3,465</b>	<b>27,715</b>	<b>22,912</b>	<b>22,912</b>	<b>22,136</b>	<b>20,713</b>	<b>16,387</b>
General vehicles	1,310	232	815	11,740	6,157	6,157	8,690	8,000	7,305
Specialised vehicles	-	-	228	-	-	-	100	1,000	-
Plant & equipment	2,078	369	1,457	9,675	8,989	8,989	7,632	3,726	1,457
Computers - hardware/equipment	206	337	823	3,500	750	750	190	430	267
Furniture and other office equipment	731	182	782	850	1,012	1,012	1,420	897	758
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	3,323	(1,472)	1,600	5,697	5,697	1,715	4,000	4,600
Other Buildings	238	(43)	379	150	150	150	1,610	2,010	2,000
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	176	75	453	200	157	157	779	650	-
<b>Intangibles</b>	<b>822</b>	<b>-</b>	<b>-</b>	<b>10,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430</b>	<b>-</b>
Computers - software & programming	822	-	-	10,700	-	-	-	430	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>135,070</b>	<b>92,289</b>	<b>94,717</b>	<b>196,605</b>	<b>332,382</b>	<b>332,382</b>	<b>208,345</b>	<b>190,867</b>	<b>171,511</b>
<b>Specialised vehicles</b>	<b>-</b>	<b>-</b>	<b>228</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>1,000</b>	<b>-</b>
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	228	-	-	-	100	1,000	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-

**Table 38 – SA34b: Capital Expenditure on the renewal of assets by asset class**

# George Municipality – 2014/15 Draft Annual Budget and MTREF

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	1,539	17,110	21,487	37,279	31,485	31,485	35,608	63,759	65,981
Infrastructure - Road transport	–	5,136	6,457	21,320	10,980	10,980	14,110	33,506	40,254
Roads, Pavements & Bridges	–	5,136	6,457	21,320	10,980	10,980	13,110	22,456	29,204
Storm water	–	–	–	–	–	–	1,000	11,050	11,050
Infrastructure - Electricity	208	2,119	1,720	4,650	5,107	5,107	3,600	6,100	2,100
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	208	2,119	1,720	4,650	5,107	5,107	3,600	6,100	2,100
Street Lighting	–	–	–	–	–	–	–	–	–
Infrastructure - Water	1,331	1,265	1,470	3,000	3,000	3,000	4,425	4,000	4,000
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	–	–	–	–	–	–	–	–	–
Reticulation	1,331	1,265	1,470	3,000	3,000	3,000	4,425	4,000	4,000
Infrastructure - Sanitation	–	8,590	11,840	8,309	12,398	12,398	13,473	20,153	19,627
Reticulation	–	5,357	5,581	4,720	8,809	8,809	6,500	5,500	4,000
Sewerage purification	–	3,233	6,258	3,589	3,589	3,589	6,973	14,653	15,627
Infrastructure - Other	–	–	–	–	–	–	–	–	–
Waste Management	–	–	–	–	–	–	–	–	–
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Community</b>	17	190	2,354	10,000	4,145	4,145	3,820	3,725	–
Parks & gardens	–	–	–	–	–	–	–	–	–
Sportsfields & stadia	–	29	2,271	4,000	4,145	4,145	–	–	–
Swimming pools	–	147	–	–	–	–	50	–	–
Community halls	–	–	55	–	–	–	160	225	–
Libraries	–	–	–	–	–	–	3,000	2,000	–
Recreational facilities	–	–	–	–	–	–	–	–	–
Fire, safety & emergency	–	–	–	–	–	–	–	–	–
Security and policing	–	14	28	–	–	–	100	–	–
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	–	–	–	–	–	–	–	–	–
Social rental housing	–	–	–	–	–	–	–	–	–
Other	17	–	(0)	6,000	–	–	510	1,500	–
<b>Heritage assets</b>	–	–	–	250	29	29	380	–	–
Buildings	–	–	–	250	29	29	380	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Other assets</b>	9	107	1,403	6,890	6,527	6,527	4,090	8,080	5,480
General vehicles	–	–	–	2,080	1,477	1,477	–	–	–
Specialised vehicles	–	–	–	2,500	2,740	2,740	2,500	1,750	–
Plant & equipment	–	3	555	1,160	1,160	1,160	420	580	30
Computers - hardware/equipment	9	17	–	50	50	50	270	250	250
Furniture and other office equipment	–	86	–	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Civic Land and Buildings	–	–	–	–	–	–	–	–	–
Other Buildings	–	–	–	–	–	–	–	–	–
Other Land	–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)	–	–	–	–	–	–	–	–	–
Other	–	–	848	1,100	1,100	1,100	900	5,500	5,200
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>1,565</b>	<b>17,406</b>	<b>25,244</b>	<b>54,419</b>	<b>42,187</b>	<b>42,187</b>	<b>43,898</b>	<b>75,564</b>	<b>71,461</b>
<b>Specialised vehicles</b>	–	–	–	2,500	2,740	2,740	2,500	1,750	–
Refuse	–	–	–	2,500	2,740	2,740	2,500	1,750	–
Fire	–	–	–	–	–	–	–	–	–
Conservancy	–	–	–	–	–	–	–	–	–
Ambulances	–	–	–	–	–	–	–	–	–
<b>Renewal of Existing Assets as % of total capex</b>	1.1%	15.9%	21.0%	21.7%	11.3%	11.3%	17.4%	28.4%	29.4%
<b>Renewal of Existing Assets as % of deprecn"</b>	1.7%	16.5%	23.8%	54.3%	37.2%	37.2%	39.4%	71.0%	69.4%



**Table 39 – SA34c: Repairs and maintenance expenditure by asset class**

Description R thousand	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	39,145	37,309	46,093	49,364	50,795	50,795	54,834	59,103	63,656
Infrastructure - Road transport	19,301	17,490	19,992	19,752	19,396	19,396	21,014	22,678	24,480
Roads, Pavements & Bridges	14,134	11,549	13,927	13,643	13,288	13,288	14,417	15,552	16,784
Storm water	5,167	5,940	6,065	6,109	6,109	6,109	6,598	7,125	7,695
Infrastructure - Electricity	6,688	5,029	5,604	8,382	8,332	8,332	8,918	9,602	10,303
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	5,440	3,597	4,358	7,062	7,012	7,012	7,492	8,062	8,640
Street Lighting	1,248	1,431	1,246	1,320	1,320	1,320	1,426	1,540	1,663
Infrastructure - Water	3,506	3,706	6,051	6,295	6,412	6,412	6,920	7,448	8,003
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	187	243	390	483	690	690	765	806	850
Reticulation	3,319	3,463	5,661	5,812	5,722	5,722	6,155	6,642	7,153
Infrastructure - Sanitation	9,648	11,039	14,390	14,725	16,445	16,445	17,772	19,153	20,637
Reticulation	8,972	10,424	13,602	14,032	15,752	15,752	17,040	18,380	19,822
Sewerage purification	677	615	788	693	693	693	732	773	815
Infrastructure - Other	1	45	56	210	210	210	210	221	233
Waste Management	1	45	56	210	210	210	210	221	233
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Community</b>	3,940	3,057	3,018	4,628	3,960	3,960	8,109	4,742	4,929
Parks & gardens	328	189	198	449	484	484	549	579	609
Sportsfields & stadia	540	621	825	837	837	837	1,217	1,289	1,366
Swimming pools	257	333	338	357	357	357	357	376	389
Community halls	436	400	392	505	566	566	671	690	663
Libraries	–	–	–	–	–	–	–	–	–
Recreational facilities	34	122	22	80	80	80	80	84	86
Fire, safety & emergency	–	0	1	1	1	1	1	1	1
Security and policing	189	170	257	265	265	265	265	279	294
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	37	324	1	46	46	46	46	48	50
Social rental housing	1,609	109	293	489	1,269	1,269	1,269	1,338	1,410
Other	510	789	690	1,600	55	55	3,655	58	61
<b>Other assets</b>	10,888	10,902	13,012	14,515	15,378	15,378	15,613	16,584	17,409
General vehicles	2,330	3,046	3,914	4,008	4,318	4,318	4,265	4,492	4,730
Specialised vehicles	1,153	1,834	1,811	1,769	1,839	1,839	1,769	1,865	1,966
Plant & equipment	6,738	5,297	6,414	7,628	8,187	8,187	8,596	9,190	9,619
Computers - hardware/equipment	111	67	81	131	131	131	131	138	146
Furniture and other office equipment	258	384	483	569	493	493	442	467	493
Other	298	275	309	410	410	410	410	432	455
<b>Intangibles</b>	1,391	1,546	1,602	2,251	2,170	2,170	2,174	2,289	2,410
Computers - software & programming	1,391	1,546	1,602	2,251	2,170	2,170	2,174	2,289	2,410
Other (list sub-class)									
<b>Total Repairs and Maintenance Expenditure</b>	<b>55,364</b>	<b>52,814</b>	<b>63,725</b>	<b>70,758</b>	<b>72,303</b>	<b>72,303</b>	<b>80,730</b>	<b>82,718</b>	<b>88,404</b>
<b>Specialised vehicles</b>	<b>1,153</b>	<b>1,834</b>	<b>1,811</b>	<b>1,769</b>	<b>1,839</b>	<b>1,839</b>	<b>1,769</b>	<b>1,865</b>	<b>1,966</b>
Refuse	854	1,448	1,430	1,270	1,340	1,340	1,270	1,339	1,411
Fire	299	386	380	499	499	499	499	526	555
Conservancy	–	–	–	–	–	–	–	–	–
Ambulances	–	–	–	–	–	–	–	–	–
<b>R&amp;M as a % of PPE</b>	<b>3.0%</b>	<b>2.3%</b>	<b>2.7%</b>	<b>3.2%</b>	<b>2.9%</b>	<b>2.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>R&amp;M as % Operating Expenditure</b>	<b>6.5%</b>	<b>5.6%</b>	<b>6.3%</b>	<b>6.0%</b>	<b>5.7%</b>	<b>5.7%</b>	<b>6.6%</b>	<b>6.5%</b>	<b>6.7%</b>

**Table 40 – SA34d: Depreciation by asset class**

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>82,442</b>	<b>93,284</b>	<b>93,252</b>	<b>89,681</b>	<b>101,948</b>	<b>101,948</b>	<b>100,766</b>	<b>97,086</b>	<b>94,497</b>
Infrastructure - Road transport	38,484	42,005	40,878	40,333	42,269	42,269	42,705	40,171	38,869
Roads, Pavements & Bridges	38,484	42,005	40,878	40,333	42,269	42,269	42,705	40,171	38,869
Storm water	–	–	–	–	–	–	–	–	–
Infrastructure - Electricity	12,687	13,342	13,994	13,503	16,324	16,324	17,259	17,125	17,174
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	12,687	13,342	13,994	13,503	16,324	16,324	17,259	17,125	17,174
Street Lighting	–	–	–	–	–	–	–	–	–
Infrastructure - Water	17,616	22,532	23,516	22,204	26,171	26,171	24,112	23,839	23,101
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	8,755	12,566	12,652	12,416	12,561	12,561	12,178	11,976	11,654
Reticulation	8,861	9,966	10,864	9,787	13,609	13,609	11,934	11,863	11,447
Infrastructure - Sanitation	12,070	13,486	13,234	12,280	15,988	15,988	15,682	15,164	14,574
Reticulation	10,388	11,253	11,654	11,038	12,792	12,792	12,546	12,129	11,629
Sewerage purification	1,681	2,234	1,580	1,242	3,196	3,196	3,136	3,034	2,945
Infrastructure - Other	1,586	1,919	1,630	1,361	1,196	1,196	1,009	787	778
Waste Management	1,586	1,919	1,630	1,361	1,196	1,196	1,009	787	778
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Community</b>	<b>7,708</b>	<b>7,055</b>	<b>6,558</b>	<b>6,846</b>	<b>7,446</b>	<b>7,446</b>	<b>6,855</b>	<b>6,015</b>	<b>5,560</b>
Parks & gardens	239	246	228	195	203	203	192	178	177
Sportsfields & stadia	2,414	2,566	2,588	2,534	2,536	2,536	2,352	2,347	2,213
Swimming pools	–	–	–	–	–	–	–	–	–
Community halls	359	389	(185)	411	435	435	430	294	265
Libraries	208	226	166	162	184	184	183	130	111
Recreational facilities	55	56	56	56	56	56	54	54	54
Fire, safety & emergency	704	723	668	595	644	644	635	411	389
Security and policing	1,344	1,380	929	694	1,372	1,372	1,272	1,026	972
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	117	117	53	12	53	53	48	21	6
Social rental housing	1,922	946	1,710	1,907	1,632	1,632	1,374	1,309	1,161
Other	346	405	344	281	331	331	316	245	211
<b>Investment properties</b>	<b>2,472</b>	<b>2,768</b>	<b>4,137</b>	<b>2,381</b>	<b>2,536</b>	<b>2,536</b>	<b>2,508</b>	<b>2,437</b>	<b>2,280</b>
Housing development	5	5	5	5	5	5	5	5	5
Other	2,467	2,763	4,132	2,376	2,532	2,532	2,503	2,432	2,275
<b>Other assets</b>	<b>1,513</b>	<b>1,684</b>	<b>1,609</b>	<b>1,317</b>	<b>1,323</b>	<b>1,323</b>	<b>1,282</b>	<b>944</b>	<b>632</b>
General vehicles	138	161	135	134	106	106	104	42	41
Specialised vehicles	–	–	–	–	–	–	–	–	–
Plant & equipment	581	583	474	455	385	385	383	369	357
Computers - hardware/equipment	268	176	179	160	171	171	170	42	13
Furniture and other office equipment	508	745	796	551	644	644	618	486	216
Other	18	18	26	17	18	18	7	5	5
<b>Intangibles</b>	<b>442</b>	<b>569</b>	<b>598</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Computers - software & programming	442	569	598	–	–	–	–	–	–
Other (list sub-class)									
<b>Total Depreciation</b>	<b>94,577</b>	<b>105,360</b>	<b>106,154</b>	<b>100,225</b>	<b>113,254</b>	<b>113,254</b>	<b>111,412</b>	<b>106,481</b>	<b>102,968</b>

## 2.7.8 Detailed capital budget per municipal vote

**Table 41 – SA36: Detailed capital budget per municipal vote**

Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Parent municipality:</b> <i>List all capital projects grouped by Municipal Vote</i>											
<b>Office of the City Manager</b>	<b>Furniture &amp; Fittings</b>	V	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	513	201	62	50	100	100
Office of the City Manager	Ward Projects	V	Yes	<i>Infrastructure - Other</i>	<i>Other</i>	4,288	–	2,538	1,750	–	–
Office of the City Manager	Thembaletu Tourism Office	V	Yes	<i>Community</i>	<i>Civic Land and Buildings</i>	1,740	–	1,740	–	–	–
Office of the City Manager	Pacaltsdorp Tourism Office	V	Yes	<i>Community</i>	<i>Civic Land and Buildings</i>	1,418	–	1,418	–	–	–
Councillors	Vehicle for Speaker	V	Yes	<i>Other Assets</i>	<i>General vehicles</i>	500	–	–	500	–	–
Councillors	Tools & Trade for Councillors	V	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	137	37	–	100	–	–
Local Economic Development	Computers	O	Yes	<i>Other Assets</i>	<i>Office equipment</i>	10	–	–	10	–	–
Sub-total: Office of the Municipal Manager						8,606	238	5,757	2,410	100	100
Administration	Vacuum cleaners	V	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	25	–	15	10	–	–
Administration	Furniture & Fittings	V	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	1,424	279	250	175	410	310
Administration	Clocking System	V	Yes	<i>Intangibles</i>	<i>Computers - software &amp; programming</i>	220	–	170	50	–	–
IT Services	Computer Hardware	V	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	1,282	62	410	310	250	250
IT Services	Computer Software	V	Yes	<i>Intangibles</i>	<i>Computers - software &amp; programming</i>	400	–	–	–	400	–
Client Service	Furniture & Fittings	V	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	12	–	12	–	–	–
Community Halls	Thembaletu Office Building	L	Yes	<i>Community</i>	<i>Civic Land and Buildings</i>	749	749	–	–	–	–
Community Halls	Conville Hall	L	Yes	<i>Community</i>	<i>Community halls</i>	61	56	5	–	–	–
Community Halls	Haarlem Hall	L	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	175	–	–	175	–	–
Community Halls	Thusong Centre	L	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	210	–	–	135	75	–
Community Halls	Parkdene Hall	L	Yes	<i>Community</i>	<i>Community halls</i>	5	–	5	–	–	–
Community Halls	Touwsrante Hall	L	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	60	–	–	60	–	–
Community Halls	Lyonville Hall	L	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	250	–	–	175	75	–
Community Halls	Civic Centre - Air Conditioner	L	Yes	<i>Other Assets</i>	<i>Other</i>	100	–	–	100	–	–
Community Halls	Civic Centre - CCTV camera upgrade	L	Yes	<i>Community</i>	<i>Security and policing</i>	290	–	290	–	–	–
Community Halls	Civic Centre	L	Yes	<i>Community</i>	<i>Civic Land and Buildings</i>	1,530	–	500	470	480	80
Community Halls	Equipment	L	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	1	1	–	–	–	–
Community Halls	Uniondale Hall	L	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	226	–	–	76	150	–
Community Halls	Blanco Community Hall	L	Yes	<i>Infrastructure - Road Transport</i>	<i>Roads, Pavements, Bridges &amp; So</i>	80	–	–	80	–	–
Community Halls	Thembaletu Community Hall	L	Yes	<i>Other Assets</i>	<i>Plant &amp; equipment</i>	345	–	315	30	–	–
Community Halls	Pacaltsdorp Community Hall	L	Yes	<i>Community</i>	<i>Community halls</i>	58	28	–	30	–	–
Sub-total: Corporate Services						7,503	1,175	1,972	1,876	1,840	640

Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand			6	3	3						
Fire Services	Fire Truck	I	Yes	Other Assets	Fire	1,000	–	–	–	1,000	–
Fire Services	Vehicles	I	Yes	Other Assets	General vehicles	2,017	–	1,957	–	60	–
Fire Services	Disaster Management Equipment	I	Yes	Other Assets	Plant & equipment	377	287	–	–	90	–
Fire Services	Life Savers Tower - Gwaing	I	Yes	Other Assets	Plant & equipment	120	–	–	120	–	–
Fire Services	Cameras - Council property	I	Yes	Other Assets	Plant & equipment	20	–	–	20	–	–
Fire Services	Garage Doors	I	Yes	Other Assets	Plant & equipment	100	–	–	100	–	–
Fire Services	Furniture & Office equipment	I	Yes	Other Assets	Furniture and other office equipment	82	32	–	30	20	–
Fire Services	Upgr Thembaletu Fire Station	I	Yes	Community	Other	1,000	–	–	–	1,000	–
Fire Services	Kleinkrantz Fire Station	I	Yes	Community	Other	3,000	–	–	–	3,000	–
Traffic Services	Furniture & Office equipment	I	Yes	Other Assets	Furniture and other office equipment	1,137	75	170	254	310	328
Traffic Services	CCTV Cameras	I	Yes	Other Assets	Plant & equipment	5,271	1,906	1,864	1,500	–	–
Traffic Services	Vehicles	I	Yes	Other Assets	General vehicles	14,940	–	1,195	550	6,390	6,805
Traffic Services	Traffic Office Maintenance	I	Yes	Community	Civic Land and Buildings	5,360	–	260	–	2,500	2,600
Traffic Services	Fire Arms	I	Yes	Other Assets	Plant & equipment	325	175	150	–	–	–
Traffic Services	Radio's & Metal Detectors	I	Yes	Other Assets	Plant & equipment	780	132	–	199	269	180
Traffic Services	Security Counter	I	Yes	Other Assets	Furniture and other office equipment	230	–	230	–	–	–
Traffic Services	Cameras - Council property	I	Yes	Other Assets	Plant & equipment	550	–	250	–	300	–
Traffic Services	Fencing	I	Yes	Community	Security and policing	440	–	–	–	213	227
Traffic Services	Paving	I	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	270	–	–	50	107	113
Traffic Services	Junior Training Centre	I	Yes	Community	Civic Land and Buildings	109	–	–	–	53	56
Traffic Services	Carports	I	Yes	Other Assets	Other	132	–	–	–	64	68
Vehicle Registration	Upgrade Building	I	Yes	Community	Civic Land and Buildings	5,100	–	–	–	2,500	2,600
Vehicle Registration	Cameras - Council property	I	Yes	Other Assets	Plant & equipment	480	–	–	150	160	170
Vehicle Registration	Vehicles	I	Yes	Other Assets	General vehicles	270	–	–	110	160	–
Vehicle Registration	Furniture & Office equipment	I	Yes	Other Assets	Furniture and other office equipment	103	–	–	34	34	35
Vehicle Registration	Generator	I	Yes	Other Assets	Plant & equipment	880	–	–	–	426	454
Drivers Licence	Equipment	I	Yes	Other Assets	Plant & equipment	51	–	–	16	17	18
Drivers Licence	Filing Facilities	I	Yes	Community	Civic Land and Buildings	5,100	–	–	–	2,500	2,600
Drivers Licence	Fencing	I	Yes	Community	Security and policing	760	–	–	100	320	340
Drivers Licence	Resurface Testing Centre	I	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	440	–	–	–	213	227

Municipal Vote/Capital project  R thousand	Program/Project description	IDP Goal code 2	Approved (Yes/No)  6	Asset Class  3	Asset Sub-Class  3	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Sport & Recreation	Lawaaikamp Sportground	N	Yes	Community	Sportfields	663	663	–	–	–	–
Sport & Recreation	Thembaletu Sporting Facilities (new)	N	Yes	Community	Sportfields	1,624	998	626	–	–	–
Sport & Recreation	Pacaltsdorp Sporting Facilities (new)	N	Yes	Community	Sportfields	1,498	1,081	417	–	–	–
Sport & Recreation	Pavillion Roof - Rosemore Stadium	N	Yes	Community	Sportfields	3,209	1,609	1,600	–	–	–
Sport & Recreation	Conville Swimming Pool	N	Yes	Other Assets	Plant & equipment	50	–	–	50	–	–
Sport & Recreation	Upgr Thembaletu Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	3,620	–	800	900	900	1,020
Sport & Recreation	Lawaaikamp Soccer Stadium	N	Yes	Community	Sportsfields & stadia	345	–	345	–	–	–
Sport & Recreation	Upgr Rosemore Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	3,400	–	900	798	798	904
Sport & Recreation	Electrical Equipment	N	Yes	Other Assets	Plant & equipment	65	–	20	45	–	–
Sport & Recreation	Rosedale Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	1,700	–	1,700	–	–	–
Sport & Recreation	Upgr Maraiskamp/Parkdene Sport Infrastruct	N	Yes	Community	Sportsfields & stadia	1,660	–	400	402	402	456
Sport & Recreation	Pacaltsdorp Sporting Facilities upgrade	N	Yes	Community	Sportsfields & stadia	2,060	–	500	498	498	564
Sport & Recreation	Uniondale Sporting Facilities	N	Yes	Community	Sportsfields & stadia	1,800	–	1,300	500	–	–
Sport & Recreation	Upgr Blanco Sporting Facilities	N	Yes	Community	Sportsfields & stadia	1,660	–	400	402	402	456
Sport & Recreation	Uniondale Floodlights	N	Yes	Community	Recreational facilities	100	–	–	100	–	–
Sport & Recreation	Touwsrante Sport Facilities	N	Yes	Community	Sportsfields & stadia	500	–	500	–	–	–
Sport & Recreation	Donated Assets (Outeniqua Stadium)	N	Yes	Community	Sportsfields & stadia	12,404	–	12,404	–	–	–
Parks & Gardens	Equipment	L	Yes	Other Assets	Plant & equipment	329	50	–	279	–	–
Parks & Gardens	Upgr Victoria Pedestrian Path	L	Yes	Community	Parks & gardens	110	–	–	110	–	–
Parks & Gardens	Thembaletu Park	L	Yes	Community	Parks & gardens	100	–	–	100	–	–
Parks & Gardens	Truck	L	Yes	Other Assets	General vehicles	800	–	–	800	–	–
Parks & Gardens	Tractor	L	Yes	Other Assets	General vehicles	900	–	–	900	–	–
Parks & Gardens	Digger Loader	L	Yes	Other Assets	Plant & equipment	880	–	–	880	–	–
Cemeteries	Blanco Cemetery - Fence	L	Yes	Community	Security and policing	43	43	–	–	–	–
Cemeteries	Upgr York Street Cemetery	L	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	–	50	–	–
Cemeteries	New Cemetery	L	Yes	Community	Other	–	–	–	–	2,050	–
Social Services	Generator	AA	Yes	Other Assets	Plant & equipment	–	50	–	–	–	–
Social Services	Furniture & Office equipment	AA	Yes	Other Assets	Furniture and other office equipment	–	–	–	25	–	–

Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>											
Main Library	Paving of Libraries	W	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	118	118	–	–	–	–
Main Library	Palissade Fence	W	Yes	Community	Security and policing	50	–	50	–	–	–
Main Library	Curtains & Blinds	W	Yes	Community	Civic Land and Buildings	85	–	85	–	–	–
Main Library	Furniture & Office equipment	W	Yes	Other Assets	Furniture and other office equipment	105	32	73	–	–	–
Branch Libraries	Replace Conville's Roof	W	Yes	Community	Civic Land and Buildings	99	99	–	–	–	–
Branch Libraries	Furniture & Office equipment	W	Yes	Other Assets	Furniture and other office equipment	329	–	249	80	–	–
Branch Libraries	Book check unit	W	Yes	Community	Security and policing	627	97	230	300	–	–
Branch Libraries	Extension of Conville Library	W	Yes	Community	Libraries	5,000	–	–	3,000	2,000	–
Administration	Furniture & Office equipment	V	Yes	Other Assets	Furniture and other office equipment	70	–	–	70	–	–
Administration	Radios for Vehicles	V	Yes	Other Assets	Plant & equipment	920	–	620	–	300	–
Refuse Removal	Furniture & Office equipment	M	Yes	Other Assets	Furniture and other office equipment	20	–	20	–	–	–
Refuse Removal	Radios for Vehicles	M	Yes	Other Assets	Plant & equipment	150	–	–	150	–	–
Refuse Removal	Equipment	M	Yes	Other Assets	Plant & equipment	580	–	250	100	230	–
Refuse Removal	Waste Collection - Rural areas	M	Yes	Other Assets	Plant & equipment	373	173	100	–	100	–
Refuse Removal	Bulk refuse containers	M	Yes	Other Assets	Plant & equipment	723	173	100	250	200	–
Refuse Removal	Refuse Truck	M	Yes	Other Assets	Specialised vehicles	6,990	–	2,740	2,500	1,750	–
Refuse Removal	Bakkie	M	Yes	Other Assets	General vehicles	260	–	–	260	–	–
Refuse Removal	Containers	M	Yes	Other Assets	Plant & equipment	200	–	–	200	–	–
Refuse Removal	TLB	M	Yes	Other Assets	Plant & equipment	1,640	–	760	880	–	–
Refuse Removal	Refuse compactor	M	Yes	Other Assets	Plant & equipment	100	–	–	100	–	–
Refuse Removal	Public toilets	M	Yes	Community	Other	1,300	–	–	500	800	–
Refuse Removal	New Landfill Site- Uniondale	M	Yes	Other Assets	Other	2,250	–	–	1,250	1,000	–
Refuse Removal	Upgrade Refuse Camp	M	Yes	Community	Civic Land and Buildings	100	–	–	100	–	–
Refuse Removal	Compost Plant	M	Yes	Other Assets	Other	6,000	–	–	6,000	–	–
Refuse Removal	Extension of transfer station	M	Yes	Other Assets	Other	2,000	–	–	–	1,000	1,000
Sub-total: Community Services						120,052	7,793	33,266	25,812	34,135	21,221

Municipal Vote/Capital project  R thousand	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)  6	Asset Class  3	Asset Sub-Class  3	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Housing Administration	Golden Valley: Provision of Services	F	Yes	Community	Housing Schemes	7,198	–	–	7,198	–	–
Housing Administration	Protea Park: Provision of Services	F	Yes	Infrastructure	Other	3,228	–	–	3,228	–	–
Housing Administration	Rosedale: Provision of Services	F	Yes	Infrastructure	Other	1,393	–	1,393	–	–	–
Housing Administration	Lavallia: Electrification	F	Yes	Infrastructure - Electricity	Transmission & Reticulation	200	107	93	–	–	–
Housing Administration	Touwsrante: Temporary relocation	F	Yes	Community	Other Land and Buildings	383	383	–	–	–	–
Housing Administration	Gap Housing: Provision of Roads	F	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	160	–	160	–	–	–
Housing Administration	Furniture & Office equipment	F	Yes	Other Assets	Furniture and other office equipment	476	181	65	70	80	80
Housing Administration	Old Heritage Building: Pacaltsdorp	F	Yes	Heritage	Heritage Assets	409	–	29	380	–	–
Housing Administration	Temporary Creches	F	Yes	Community	Other	1,750	–	500	250	500	500
Housing Administration	Rosedale Creche	F	Yes	Community	Other	2,000	–	–	–	1,000	1,000
Housing Administration	Xamaxolo Creche	F	Yes	Community	Other	2,000	–	–	–	1,000	1,000
Housing Administration	Siembamba Creche	F	Yes	Community	Other	880	–	–	–	880	–
Housing Administration	Kleinkrantz Creche	F	Yes	Community	Other	1,000	–	–	–	–	1,000
Housing Administration	Illingilethu Creche	F	Yes	Community	Other	1,120	–	–	–	620	500
Housing Administration	Upgrading of Creches	F	Yes	Community	Other	1,174	225	500	379	70	–
Housing Administration	Back yard Dwellers - Basic Services	F	Yes	Infrastructure	Other	850	–	–	850	–	–
Housing Administration	Vehicles	F	Yes	Other Assets	General vehicles	610	–	430	180	–	–
Housing Administration	Purchase of land	F	Yes	Other Assets	Vacantland	5,500	–	–	1,500	2,000	2,000
Housing Administration	Purchase of property	F	Yes	Community	Social rental housing	12,000	–	–	–	6,000	6,000
Housing Administration	Old Age Home (X2)	F	Yes	Community	Other	25,000	–	–	–	10,000	15,000
Sub-total: Human Settlements, Land Affairs & Planning						67,333	897	3,170	14,036	22,150	27,080
Administration	Furniture & Office equipment	B	Yes	Other Assets	Furniture and other office equipment	746	321	22	263	70	70
Administration	Radio Mast & Base Station	B	Yes	Other Assets	Plant & equipment	22	22	–	–	–	–
Public Transport Network	GIPTN infrastructure and Busses	J	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	402,655	–	175,630	62,885	65,684	98,456
Public Transport Network	Provincil GIPTN infrastructure	J	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	15,668	–	15,668	–	–	–
Streets & Stormwater	Streetlights	C	Yes	Infrastructure	Street Lighting	7,202	422	1,300	1,930	3,550	–
Streets & Stormwater	Vehicles	C	Yes	Other Assets	General vehicles	1,500	–	1,500	–	–	–
Streets & Stormwater	Upgr of Stormwater Network: George South	C	Yes	Infrastructure - Road Transport	Storm water	6,000	–	–	–	3,000	3,000
Streets & Stormwater	Rebuilding of Streets	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	18,500	–	4,000	4,500	5,000	5,000
Streets & Stormwater	Robots & Intersections	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	99	–	99	–	–	–
Streets & Stormwater	Street Resealing	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	40,597	4,985	5,000	5,500	12,190	12,921
Streets & Stormwater	Concrete Canals and Drains	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	3,421	921	–	–	1,000	1,500
Streets & Stormwater	Thembalethu UISP - Streets & Stormwater	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	40,533	6,718	26,015	7,799	–	–

Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Streets & Stormwater	Bus Stops	C	Yes	Infrastructure - Other	Transportation	1,406	1,406	–	–	–	–
Streets & Stormwater	Outeniqua Slip Lane	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	600	–	–	–	600	–
Streets & Stormwater	Upgr of Roads & Stormwater Network	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	16,004	3,524	1,980	2,500	4,000	4,000
Streets & Stormwater	Inter-Urban Bus Terminus	C	Yes	Infrastructure - Other	Transportation	5,488	5,488	–	–	–	–
Streets & Stormwater	Flooddamage - Stormwater & Streets	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	9,401	–	1,000	5,575	2,826	–
Streets & Stormwater	Plattner Culvert	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	8,500	–	–	500	1,000	7,000
Streets & Stormwater	Speed Calming Methods	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	617	617	–	–	–	–
Streets & Stormwater	Upgr of Existing Stormwater Network	C	Yes	Infrastructure - Road Transport	Storm water	17,100	–	–	1,000	8,050	8,050
Streets & Stormwater	Upgrading of Camp	C		Other Assets	Civic Land and Buildings	200	–	–	200	–	–
Water Networks	Flooddamage - Water network	C	Yes	Infrastructure - Water	Reticulation	425	–	–	425	–	–
Water Networks	Water Meters	B	Yes	Infrastructure - Water	Reticulation	1,489	625	364	200	200	100
Water Networks	Water Tenks	B	Yes	Infrastructure - Water	Dams & Reservoirs	269	69	100	100	–	–
Water Networks	Upgr Water Network	B	Yes	Infrastructure - Water	Reticulation	16,470	1,470	3,000	4,000	4,000	4,000
Water Networks	Replace Fence at Camps	B	Yes	Community	Security and policing	500	–	–	350	150	–
Water Networks	George Western Water Supply Pipeline	B	Yes	Infrastructure - Water	Reticulation	6,455	6,455	–	–	–	–
Water Networks	Thembalethu UISP - Water	B	Yes	Infrastructure - Water	Reticulation	6,423	1,963	3,431	1,029	–	–
Water Networks	Radio's & Testing Equipment	B	Yes	Other Assets	Plant & equipment	198	117	31	50	–	–
Water Networks	Pacaltsdorp Bulk pipeline	B	Yes	Infrastructure - Water	Reticulation	3,000	–	–	3,000	–	–
Water Networks	Hansmoeskraal/Pacaltsdorp Main Line	B	Yes	Infrastructure - Water	Reticulation	7,000	–	–	1,000	6,000	–
Water Networks	Kraaibosch Water Line	B	Yes	Infrastructure - Water	Reticulation	1,000	–	–	–	1,000	–
Water Networks	Thembalethu Bulk Pipeline	B	Yes	Infrastructure - Water	Reticulation	21,643	19,643	2,000	–	–	–
Water Networks	Water Tanker	B	Yes	Other Assets	General vehicles	662	–	662	–	–	–
Water Networks	Trucks	B	Yes	Other Assets	General vehicles	600	–	600	–	–	–
Water Networks	Water Trailers	B	Yes	Other Assets	Plant & equipment	57	–	57	–	–	–
Water Networks	Wildernis Heights Reticulation	B	Yes	Infrastructure - Water	Reticulation	300	–	–	300	–	–
Water Networks	Telemetry and Loggers	B	Yes	Other Assets	Plant & equipment	770	–	250	150	170	200
Water Purification	Raising Garden Route dam	B	Yes	Infrastructure - Water	Dams & Reservoirs	9,992	–	–	9,992	–	–
Water Purification	Security Fence - Kleinkrantz Reservoirs	B	Yes	Community	Security and policing	80	–	80	–	–	–
Water Purification	Instrumentation	B	Yes	Other Assets	Plant & equipment	700	–	200	100	200	200
Water Purification	Extension of Waterworks	B	Yes	Infrastructure - Water	Reticulation	1,000	–	–	1,000	–	–
Water Purification	Furniture & Office equipment	B	Yes	Other Assets	Furniture and other office equipment	130	–	130	–	–	–
Water Purification	Refurbishment of Waterworks	A	Yes	Other Assets	Civic Land and Buildings	1,000	–	–	500	500	–
Water Purification	Health & Safety	B	Yes	Other Assets	Plant & equipment	200	–	–	–	200	–
Water Purification	Bakkie	B	Yes	Other Assets	General vehicles	200	–	–	200	–	–
Water Purification	WTW - 3 Reservoirs	B	Yes	Infrastructure - Water	Dams & Reservoirs	11,000	–	–	1,000	10,000	–
Water Purification	Blanco Reservoir	B	Yes	Infrastructure - Water	Dams & Reservoirs	500	–	–	–	500	–
Water Purification	Telemetry and Loggers	B	Yes	Other Assets	Plant & equipment	770	–	250	150	170	200



Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand			6	3	3						
Sewerage Networks	Sewerage Reticulation - Pacaltsdorp	A	Yes	Infrastructure - Sanitation	Reticulation	3,344	3,344	–	–	–	–
Sewerage Networks	Bakkie	A	Yes	Other Assets	General vehicles	1,015	–	240	775	–	–
Sewerage Networks	Sewerage Network Rehabilitation	A	Yes	Infrastructure - Sanitation	Reticulation	22,461	2,794	7,166	4,500	4,000	4,000
Sewerage Networks	Telemetry and Loggers	A	Yes	Other Assets	Plant & equipment	200	–	200	–	–	–
Sewerage Networks	Fencing & Roads at Pumpstations	A	Yes	Community	Security and policing	943	243	350	350	–	–
Sewerage Networks	Upgr Pump Stations	A	Yes	Infrastructure - Water	Dams & Reservoirs	6,790	1,867	1,423	2,000	1,500	–
Sewerage Networks	Electrical Switchgear	A	Yes	Infrastructure - Electricity	Transmission & Reticulation	5,828	828	1,500	2,000	1,500	–
Sewerage Networks	Thembaletu UISP - Sewerage	A	Yes	Infrastructure - Sanitation	Reticulation	15,835	2,673	10,127	3,036	–	–
Sewerage Networks	Gulleys	A	Yes	Infrastructure - Sanitation	Reticulation	882	71	111	200	250	250
Sewerage Networks	Equipment	A	Yes	Other Assets	Plant & equipment	390	–	350	40	–	–
Sewerage Networks	Generators	A	Yes	Other Assets	Plant & equipment	1,950	–	–	500	650	800
Sewerage Networks	Sewerage Reticulation - Kraaibosch/Victoria	A	Yes	Infrastructure - Sanitation	Reticulation	500	–	–	–	500	–
Sewerage Networks	Sewerage Reticulation - Hansmoeskraal	A	Yes	Infrastructure - Sanitation	Reticulation	500	–	–	500	–	–
Sewerage Networks	Sewerage Reticulation - Thembaletu	A	Yes	Infrastructure - Sanitation	Reticulation	71,888	5,104	21,784	15,000	15,000	15,000
Sewerage Treatment Works	Bakkie	A	Yes	Other Assets	General vehicles	550	–	–	550	–	–
Sewerage Treatment Works	TLB	A	Yes	Other Assets	Plant & equipment	880	–	–	880	–	–
Sewerage Treatment Works	Furniture & Office equipment	A	Yes	Other Assets	Furniture and other office equipment	30	–	30	–	–	–
Sewerage Treatment Works	Upgr Nightsoil Dumping Area	A	Yes	Infrastructure - Sanitation	Reticulation	220	–	220	–	–	–
Sewerage Treatment Works	Upgr Outeniqua WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	42,521	–	5,269	6,973	14,653	15,627
Sewerage Treatment Works	Upgr Uniondale WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	11,992	11,992	–	–	–	–
Sewerage Treatment Works	Upgr Kleinkrantz WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	14,649	–	9,000	5,649	–	–
Sewerage Treatment Works	Laboratory Instruments	A	Yes	Other Assets	Plant & equipment	794	444	200	150	–	–
Sewerage Treatment Works	Outeniqua/Gwaing Sludge Handling	A	Yes	Infrastructure - Sanitation	Sewerage purification	11,610	7,730	2,330	1,000	550	–
Sewerage Treatment Works	Telemetry and Loggers	A	Yes	Other Assets	Plant & equipment	870	–	250	250	170	200
Sub-total: Civil Engineering Services						905,729	91,855	303,918	160,549	168,832	180,574
Fleet Management	Vehicles	V	Yes	Other Assets	General vehicles	3,825	815	430	1,040	1,040	500
Fleet Management	Cherry Picker	V	Yes	Other Assets	General vehicles	1,750	–	–	1,750	–	–
Fleet Management	Crane truck	V	Yes	Other Assets	General vehicles	1,400	–	–	1,400	–	–
Fleet Management	Trailers	V	Yes	Other Assets	Other	430	–	–	80	350	–
Fleet Management	Vehicle Tracking System	V	Yes	Other Assets	Plant & equipment	1,050	–	500	500	50	–
Fleet Management	Petrol Management System	V	Yes	Intangibles	Computers - software & programming	1,100	–	1,000	100	–	–
Fleet Management	Upgr & Extension of Buildings	V	Yes	Other Assets	Civic Land and Buildings	250	–	150	100	–	–
Fleet Management	Roof for fuel pump	V	Yes	Other Assets	Civic Land and Buildings	300	–	300	–	–	–
Fleet Management	Security cameras	V	Yes	Community	Security and policing	100	–	90	–	10	–

Municipal Vote/Capital project  R thousand	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)  6	Asset Class  3	Asset Sub-Class  3	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Electricity Distribution	Schaapkop 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	2,000	–	500	–	500	1,000
Electricity Distribution	Eskom Extension Cost	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	6,221	6,221	–	–	–	–
Electricity Distribution	Herolds Bay 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	11,444	4,644	2,700	100	2,000	2,000
Electricity Distribution	Electrification - Erf 325	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	8,487	2,629	1,358	4,500	–	–
Electricity Distribution	Replace Winery Sub	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	694	694	–	–	–	–
Electricity Distribution	Erf 325 - Temporary Relocation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	500	–	500	–	–	–
Electricity Distribution	Replace Bulk meters	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	200	–	–	–	100	100
Electricity Distribution	Upgr Low voltage lines	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	5,299	399	1,350	800	2,650	100
Electricity Distribution	Load Control and Power factor	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	2,329	29	800	500	1,000	–
Electricity Distribution	Replace obsolete switchgear & equipment	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	8,049	892	2,357	800	2,000	2,000
Electricity Distribution	Computer Software	E	Yes	Intangibles	Computers - software & programming	40	–	10	–	30	–
Electricity Distribution	Furniture & Office equipment	E	Yes	Other Assets	Furniture and other office equipment	728	98	280	300	50	–
Electricity Distribution	Computers	E	Yes	Other Assets	Computers - hardware/equipment	245	–	50	20	175	–
Electricity Distribution	Tools & Electrical Equipment	E	Yes	Other Assets	Plant & equipment	3,192	172	780	550	1,590	100
Electricity Distribution	Upgr and Extension of 11kv network	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	13,892	792	1,900	900	3,800	6,500
Electricity Distribution	Upgr of Control Centrum	E	Yes	Other Assets	Plant & equipment	903	173	530	100	100	–
Electricity Distribution	Expansion of master plan	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,600	–	400	200	1,000	–
Electricity Distribution	New Transformers	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	9,900	–	400	9,500	–	–
Electricity Distribution	Reticulation Scheme - Thembaletu	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	24,456	–	7,000	10,000	7,456	–
Electricity Distribution	Security wall - Tamsui Substation	E	Yes	Community	Other Land and Buildings	300	–	300	–	–	–
Electricity Distribution	Reticulation Scheme Bulk services	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	18,900	–	–	8,900	10,000	–
Electricity Distribution	Reticulation Scheme - Syferfontein	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	303	303	–	–	–	–
Electricity Distribution	Reticulation Scheme - UISP	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	13,004	4	2,000	5,000	5,000	1,000
Electricity Distribution	Safety: OHSA	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	120	–	–	60	60	–
Electricity Distribution	Upgr & Extension of Buildings	E	Yes	Other Assets	Civic Land and Buildings	120	–	100	10	10	–
Sub-total: Electro-technical Services						143,131	17,865	25,785	47,210	38,971	13,300
Financial Services	Furniture	Q	Yes	Other Assets	Furniture and other office equipment	623	139	50	325	52	57
Financial Services	Hydraulic Jacks	Q	Yes	Other Assets	Plant & equipment	55	–	30	25	–	–
Financial Services	Vehicles	Q	Yes	Other Assets	General vehicles	–	–	620	–	350	–
Sub-total: Financial Services						678	139	700	350	402	57
Total Capital expenditure							239,922	749,137	252,243	266,431	242,972

## 2.7.9 Supporting detail to A4 (Budgeted Financial Performance) and A6 (Budgeted Financial Position)

### Table 42 – SA1: Supporting detail to Statement of Financial Performance

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b>REVENUE ITEMS:</b>										
<b>Property rates</b>										
Total Property Rates	149,778	163,896	180,692	198,880	190,371	190,371	190,371	203,697	215,918	228,873
less Revenue Foregone	30,897	36,107	37,253	39,783	36,266	36,266	36,266	39,104	41,533	44,101
<b>Net Property Rates</b>	<b>118,881</b>	<b>127,788</b>	<b>143,438</b>	<b>159,097</b>	<b>154,105</b>	<b>154,105</b>	<b>154,105</b>	<b>164,592</b>	<b>174,386</b>	<b>184,773</b>
<b>Service charges - electricity revenue</b>										
Total Service charges - electricity revenue	310,240	373,968	413,335	444,276	441,118	441,118	441,118	477,317	502,140	532,268
less Revenue Foregone		182	()							
<b>Net Service charges - electricity revenue</b>	<b>310,240</b>	<b>373,785</b>	<b>413,336</b>	<b>444,276</b>	<b>441,118</b>	<b>441,118</b>	<b>441,118</b>	<b>477,317</b>	<b>502,140</b>	<b>532,268</b>
<b>Service charges - water revenue</b>										
Total Service charges - water revenue	67,306	82,956	90,228	100,623	99,753	99,753	99,753	109,736	113,140	119,929
less Revenue Foregone		16,563	8,751	13,900	13,900	13,900	13,900	16,140	17,404	18,687
<b>Net Service charges - water revenue</b>	<b>67,306</b>	<b>66,393</b>	<b>81,477</b>	<b>86,723</b>	<b>85,853</b>	<b>85,853</b>	<b>85,853</b>	<b>93,596</b>	<b>95,736</b>	<b>101,241</b>
<b>Service charges - sanitation revenue</b>										
Total Service charges - sanitation revenue	46,462	66,289	74,790	78,021	86,601	86,601	86,601	89,243	91,418	96,903
less Revenue Foregone		14,113	20,165	21,801	21,801	21,801	21,801	28,998	31,565	34,214
<b>Net Service charges - sanitation revenue</b>	<b>46,462</b>	<b>52,176</b>	<b>54,625</b>	<b>56,220</b>	<b>64,800</b>	<b>64,800</b>	<b>64,800</b>	<b>60,245</b>	<b>59,853</b>	<b>62,689</b>
<b>Service charges - refuse revenue</b>										
Total refuse removal revenue	30,484	49,603	54,860	57,736	59,593	59,593	59,593	66,956	68,854	72,985
Total landfill revenue	–	–	–	–	–	–	–	–	–	–
less Revenue Foregone	–	14,501	17,440	19,000	19,000	19,000	19,000	22,578	24,349	26,147
<b>Net Service charges - refuse revenue</b>	<b>30,484</b>	<b>35,101</b>	<b>37,420</b>	<b>38,736</b>	<b>40,593</b>	<b>40,593</b>	<b>40,593</b>	<b>44,379</b>	<b>44,505</b>	<b>46,838</b>
<b>Other Revenue by source</b>										
Building Plan fees and related income	4,028	2,224	2,133	2,022	2,212	2,212	2,212	2,345	2,486	2,635
VAT Income from grants	4,133	6,920	6,177	7,115	6,849	6,849	6,849	6,457	6,867	7,678
Sundry income	5,784	7,716	7,664	4,748	6,254	6,254	6,254	6,596	6,980	7,387
<b>Total 'Other' Revenue</b>	<b>13,945</b>	<b>16,859</b>	<b>15,974</b>	<b>13,886</b>	<b>15,316</b>	<b>15,316</b>	<b>15,316</b>	<b>15,398</b>	<b>16,333</b>	<b>17,700</b>
<b>EXPENDITURE ITEMS:</b>										
<b>Employee related costs</b>										
Basic Salaries and Wages	128,881	138,333	154,135	188,391	189,859	189,859	189,859	195,512	209,033	223,758
Pension and UIF Contributions	21,637	23,710	25,633	29,190	29,230	29,230	29,230	35,249	37,717	40,358
Medical Aid Contributions	8,655	9,840	10,539	15,530	15,530	15,530	15,530	16,617	17,780	19,025
Overtime	13,775	16,666	18,148	16,709	17,159	17,159	17,159	15,278	20,972	23,136
Performance Bonus	120	587	136	–	–	–	–	–	–	–
Motor Vehicle Allowance	7,799	8,622	10,482	10,725	10,955	10,955	10,955	11,195	11,977	12,814
Cellphone Allowance	510	631	721	677	691	691	691	755	808	865
Housing Allowances	1,271	1,328	1,255	1,174	1,174	1,174	1,174	1,076	1,152	1,233
Other benefits and allowances	17,940	19,249	19,149	15,976	16,114	16,114	16,114	18,177	19,210	20,536
Payments in lieu of leave	10,048	10,739	11,570	12,412	12,412	12,412	12,412	13,582	14,533	15,550
Long service awards	919	796	1,006	1,203	1,203	1,203	1,203	1,288	1,378	1,474
Post-retirement benefit obligations	17,731	18,919	16,648	–	–	–	–	–	–	–
<b>sub-total</b>	<b>229,287</b>	<b>249,418</b>	<b>269,422</b>	<b>291,987</b>	<b>294,327</b>	<b>294,327</b>	<b>294,327</b>	<b>308,729</b>	<b>334,560</b>	<b>358,750</b>
<b>Less: Employees costs capitalised to PPE</b>	<b>513</b>	<b>536</b>	<b>296</b>	<b>100</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>500</b>	<b>535</b>	<b>572</b>
<b>Total Employee related costs</b>	<b>228,773</b>	<b>248,883</b>	<b>269,126</b>	<b>291,887</b>	<b>294,096</b>	<b>294,096</b>	<b>294,096</b>	<b>308,229</b>	<b>334,025</b>	<b>358,178</b>
<b>Contributions recognised - capital</b>										
Capital contributions	5,627	5,227	5,862	6,303	6,303	6,303	6,303	4,977	5,329	5,683
Second Dwellings	179	68	–	317	317	317	317	41	58	76
Contribution to Parking facilities	392	381	438	–	–	–	–	400	420	430
Endowment Fees	–	–	73	–	–	–	–	–	–	–
Sale of Erven	5,356	6,474	2,190	–	2,200	2,200	2,200	2,332	2,472	2,620
<b>Total Contributions recognised - capital</b>	<b>11,555</b>	<b>12,149</b>	<b>8,564</b>	<b>6,620</b>	<b>8,820</b>	<b>8,820</b>	<b>8,820</b>	<b>7,750</b>	<b>8,279</b>	<b>8,810</b>

# George Municipality – 2014/15 Draft Annual Budget and MTREF

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b><u>Depreciation &amp; asset impairment</u></b>										
Depreciation of Property, Plant & Equipment	94,135	104,791	105,556	100,225	113,254	113,254	113,254	111,412	106,481	102,968
Lease amortisation	442	569	598	–	–	–	–	–	–	–
Capital asset impairment	–	–	–	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	–	–	–	–	–	–	–	–	–	–
<b>Total Depreciation &amp; asset impairment</b>	<b>94,577</b>	<b>105,360</b>	<b>106,154</b>	<b>100,225</b>	<b>113,254</b>	<b>113,254</b>	<b>113,254</b>	<b>111,412</b>	<b>106,481</b>	<b>102,968</b>
<b><u>Bulk purchases</u></b>										
Electricity Bulk Purchases	192,921	244,403	276,691	301,850	299,835	299,835	299,835	324,002	350,116	378,336
Water Bulk Purchases	–	–	–	–	–	–	–	–	–	–
<b>Total bulk purchases</b>	<b>192,921</b>	<b>244,403</b>	<b>276,691</b>	<b>301,850</b>	<b>299,835</b>	<b>299,835</b>	<b>299,835</b>	<b>324,002</b>	<b>350,116</b>	<b>378,336</b>
<b><u>Transfers and grants</u></b>										
Cash transfers and grants	5,124	1,188	1,520	2,318	2,293	2,293	2,293	3,043	3,159	3,294
Non-cash transfers and grants	–	–	–	–	–	–	–	–	–	–
<b>Total transfers and grants</b>	<b>5,124</b>	<b>1,188</b>	<b>1,520</b>	<b>2,318</b>	<b>2,293</b>	<b>2,293</b>	<b>2,293</b>	<b>3,043</b>	<b>3,159</b>	<b>3,294</b>
<b><u>Contracted services</u></b>										
Housing Projects	63,744	66,516	39,683	41,793	42,695	42,695	42,695	15,824	55,792	66,410
Proclaimed Roads	406	218	16,610	30,681	54,164	54,164	54,164	35,952	–	–
Integrated Transport Services	–	–	920	94,389	129,470	129,470	129,470	85,449	94,541	52,313
Traffic Contractors	4,257	4,952	4,281	4,697	4,947	4,947	4,947	4,820	4,852	5,153
Electricity Contractors	10,176	11,979	14,002	15,721	15,884	15,884	15,884	16,333	16,677	17,182
Refuse Contractors	2,145	2,918	2,119	3,046	2,530	2,530	2,530	2,344	1,635	1,641
Parks and Garden Contractors	3,008	2,741	2,883	2,940	3,600	3,600	3,600	3,360	3,360	3,360
Dumping Site Contractors	3,473	4,324	4,462	3,900	3,900	3,900	3,900	4,350	4,674	5,000
Town Planning Contractors	619	841	322	1,105	805	805	805	850	900	950
Internal Auditors	2,546	2,673	2,830	2,830	3,530	3,530	3,530	2,822	2,224	1,776
Financial Services Contractors	1,910	66	45	1,525	1,713	1,713	1,713	3,780	4,087	4,300
Street Cleansing Contractors	590	425	666	670	670	670	670	670	670	670
Cemeteries Contractors	462	749	676	740	260	260	260	290	290	290
Other Contracted Services	1,291	1,847	4,197	6,325	6,188	6,188	6,188	4,878	3,591	3,701
<b>sub-total</b>	<b>94,627</b>	<b>100,248</b>	<b>93,696</b>	<b>210,362</b>	<b>270,356</b>	<b>270,356</b>	<b>270,356</b>	<b>181,722</b>	<b>193,293</b>	<b>162,746</b>
<b>Allocations to organs of state:</b>										
Electricity	–	–	–	–	–	–	–	–	–	–
Water	–	–	–	–	–	–	–	–	–	–
Sanitation	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
<b>Total contracted services</b>	<b>94,627</b>	<b>100,248</b>	<b>93,696</b>	<b>210,362</b>	<b>270,356</b>	<b>270,356</b>	<b>270,356</b>	<b>181,722</b>	<b>193,293</b>	<b>162,746</b>
<b><u>Other Expenditure By Type</u></b>										
Collection costs	5,960	4,728	4,648	4,200	4,200	4,200	4,200	4,325	4,550	4,790
Contributions to 'other' provisions	–	–	–	–	–	–	–	–	–	–
Consultant fees	1,581	1,565	1,633	1,946	2,342	2,342	2,342	2,306	2,452	2,590
Audit fees	3,333	3,907	3,520	3,700	3,000	3,000	3,000	3,100	3,162	3,333
General expenses										
Advertising cost	953	960	918	1,278	1,331	1,331	1,331	1,339	1,385	1,463
Bank charges	906	1,131	1,487	1,327	1,327	1,327	1,327	1,327	1,399	1,474
Chemicals	7,249	9,335	9,597	11,360	13,319	13,319	13,319	16,580	17,499	18,470
Flood damage	1,476	515	4	396	–	–	–	–	–	–
Insurance	1,867	1,939	1,693	2,712	2,738	2,738	2,738	2,700	2,846	3,000
Lease rentals on operating leases	1,523	1,406	1,271	1,808	1,913	1,913	1,913	1,902	2,005	2,114
Motor vehicle expenses	8,900	11,415	13,342	13,901	15,864	15,864	15,864	16,024	16,886	17,790
Printing and Stationery	1,892	1,688	1,591	1,899	2,013	2,013	2,013	2,059	2,167	2,281
Telephone and fax	1,512	1,499	1,230	1,606	1,610	1,610	1,610	1,587	1,672	1,761
Training	1,138	177	343	750	628	628	628	650	687	725
Maintenance - Streets and Stormwater Network	19,495	18,174	20,515	20,337	19,881	19,881	19,881	21,538	23,247	25,093
Maintenance - Electricity Network	5,435	3,578	4,296	6,689	6,639	6,639	6,639	7,111	7,661	8,217
Maintenance - Water Network	3,319	3,463	5,661	5,812	5,722	5,722	5,722	6,155	6,642	7,153
Maintenance - Sewerage Network	8,972	10,424	13,602	14,032	15,752	15,752	15,752	17,040	18,380	19,822
Maintenance of machinery	3,266	2,623	3,454	3,589	3,772	3,772	3,772	4,166	4,526	4,880
Maintenance of buildings	2,491	2,266	2,335	2,729	3,212	3,212	3,212	3,128	3,282	3,210
Software Licences	1,391	1,546	1,602	2,251	2,170	2,170	2,170	2,170	2,289	2,410
Legal Fees	686	1,406	3,359	2,860	2,698	2,698	2,698	2,758	2,907	3,064
Security Services	3,288	4,209	4,583	4,122	4,457	4,457	4,457	4,685	4,937	5,207
Special projects	7,134	5,076	6,491	10,979	26,374	26,374	26,374	9,546	10,052	10,646
Dumping Costs	2,972	3,192	2,886	3,000	3,000	3,000	3,000	3,000	3,162	3,333
Other Expenditure	40,634	39,625	40,548	53,274	54,297	54,297	54,297	65,997	63,965	67,775
<b>Total 'Other' Expenditure</b>	<b>137,373</b>	<b>135,848</b>	<b>150,610</b>	<b>176,557</b>	<b>198,260</b>	<b>198,260</b>	<b>198,260</b>	<b>201,198</b>	<b>207,758</b>	<b>220,598</b>

**Table 43 – SA3: Supporting detail to Statement of Financial Position**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
<b>ASSETS</b>										
<u>Call investment deposits</u>										
Call deposits < 90 days	-	-	-	-	-	-	-			
Other current investments > 90 days	-	-	-	-	-	-	-			
<b>Total Call investment deposits</b>	-	-	-	-	-	-	-	-	-	-
<u>Consumer debtors</u>										
Consumer debtors	107,134	114,875	130,787	118,321	149,885	149,885	149,885	156,511	160,274	157,318
<u>Less: Provision for debt impairment</u>	(28,884)	(27,576)	(57,607)	(24,906)	(67,232)	(67,232)	(67,232)	(69,427)	(74,065)	(78,925)
<b>Total Consumer debtors</b>	<b>78,250</b>	<b>87,298</b>	<b>73,180</b>	<b>93,414</b>	<b>82,653</b>	<b>82,653</b>	<b>82,653</b>	<b>87,084</b>	<b>86,209</b>	<b>78,392</b>
<u>Debt impairment provision</u>										
Balance at the beginning of the year	26,935	28,884	27,576	26,800	60,614	60,614	60,614	67,232	69,427	74,065
Contributions to the provision	29,093	21,022	34,847	22,000	22,000	22,000	22,000	20,000	23,188	24,440
Bad debts written off	(27,144)	(22,330)	(4,816)	(23,894)	(15,382)	(15,382)	(15,382)	(17,805)	(18,550)	(19,580)
<b>Balance at end of year</b>	<b>28,884</b>	<b>27,576</b>	<b>57,607</b>	<b>24,906</b>	<b>67,232</b>	<b>67,232</b>	<b>67,232</b>	<b>69,427</b>	<b>74,065</b>	<b>78,925</b>
<u>Property, plant and equipment (PPE)</u>										
PPE at cost/valuation (excl. finance leases)	2,301,230	2,872,167	2,983,073	2,870,413	3,176,674	3,176,674	3,176,674	3,428,917	3,695,348	3,938,320
Leases recognised as PPE	-	-	-	64,580	-	-	-	13,505	11,040	7,305
<u>Less: Accumulated depreciation</u>	434,129	544,175	643,812	745,079	656,079	656,079	656,079	767,491	873,972	976,940
<b>Total Property, plant and equipment (PPE)</b>	<b>1,867,101</b>	<b>2,327,991</b>	<b>2,339,262</b>	<b>2,189,915</b>	<b>2,520,595</b>	<b>2,520,595</b>	<b>2,520,595</b>	<b>2,674,932</b>	<b>2,832,416</b>	<b>2,968,684</b>
<b>LIABILITIES</b>										
<u>Current liabilities - Borrowing</u>										
Short term loans (other than bank overdraft)	-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities	30,533	33,843	36,963	36,366	40,483	40,483	40,483	43,812	45,127	47,383
<b>Total Current liabilities - Borrowing</b>	<b>30,533</b>	<b>33,843</b>	<b>36,963</b>	<b>36,366</b>	<b>40,483</b>	<b>40,483</b>	<b>40,483</b>	<b>43,812</b>	<b>45,127</b>	<b>47,383</b>
<u>Trade and other payables</u>										
Trade and other creditors	93,220	92,363	107,230	89,815	89,815	89,815	89,815	158,403	100,575	93,124
Unspent conditional transfers	30,178	41,994	71,492	13,957	94,919	94,919	94,919	42,613	32,749	14,044
VAT	-	-	-	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	<b>123,399</b>	<b>134,358</b>	<b>178,723</b>	<b>103,772</b>	<b>184,734</b>	<b>184,734</b>	<b>184,734</b>	<b>201,017</b>	<b>133,324</b>	<b>107,168</b>
<u>Non current liabilities - Borrowing</u>										
Borrowing	520,870	487,034	450,070	416,665	409,587	409,587	409,587	369,104	323,977	276,594
Finance leases (including PPP asset element)	-	-	-	69,430	18,148	18,148	18,148	31,653	42,693	49,998
<b>Total Non current liabilities - Borrowing</b>	<b>520,870</b>	<b>487,034</b>	<b>450,070</b>	<b>486,095</b>	<b>427,735</b>	<b>427,735</b>	<b>427,735</b>	<b>400,757</b>	<b>366,670</b>	<b>326,592</b>

**George Municipality – 2014/15 Draft Annual Budget and MTREF**

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>										
<b><u>Provisions - non-current</u></b>										
Retirement benefits	92,521	109,146	119,003	100,102	124,953	124,953	124,953	126,381	129,035	131,616
<i>List other major provision items</i>										
Refuse landfill site rehabilitation	3,396	3,153	4,344	3,540	3,663	3,663	3,663	3,882	4,115	4,362
Other	10,469	10,469	7,518	12,438	3,749	3,749	3,749	3,824	3,920	4,033
<b>Total Provisions - non-current</b>	<b>106,386</b>	<b>122,769</b>	<b>130,865</b>	<b>116,079</b>	<b>132,365</b>	<b>132,365</b>	<b>132,365</b>	<b>134,088</b>	<b>137,070</b>	<b>140,011</b>
<b><u>CHANGES IN NET ASSETS</u></b>										
<b><u>Accumulated Surplus/(Deficit)</u></b>										
Accumulated Surplus/(Deficit) - opening balance	1,754,409	1,650,898	2,117,225	1,919,730	1,919,730	1,919,730	1,919,730	2,368,066	2,678,068	2,933,812
GRAP adjustments	(108,440)	375,463	-	-	-	-	-	-	-	-
Restated balance	1,645,968	2,026,361	2,117,225	1,919,730	1,919,730	1,919,730	1,919,730	2,368,066	2,678,068	2,933,812
Surplus/(Deficit)	5,558	(5,019)	31,109	109,055	196,739	196,739	196,739	59,339	59,588	101,877
Appropriations to Reserves	-	-	-	-	-	-	-	-	-	-
Transfers from Reserves	(628)	(3,301)	(3,319)	-	-	-	-	(8,866)	(5,555)	(5,835)
Depreciation offsets	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	99,183	-	(30,431)	251,597	251,597	251,597	259,529	201,712	109,508
<b>Accumulated Surplus/(Deficit)</b>	<b>1,650,898</b>	<b>2,117,225</b>	<b>2,145,015</b>	<b>1,998,354</b>	<b>2,368,066</b>	<b>2,368,066</b>	<b>2,368,066</b>	<b>2,678,068</b>	<b>2,933,812</b>	<b>3,139,363</b>
<b><u>Reserves</u></b>										
Housing Development Fund	70,711	74,011	77,330	74,016	76,423	76,423	76,423	71,842	74,870	77,768
Capital replacement	-	-	-	-	-	-	-	-	-	-
Self-insurance	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	<b>70,711</b>	<b>74,011</b>	<b>77,330</b>	<b>74,016</b>	<b>76,423</b>	<b>76,423</b>	<b>76,423</b>	<b>71,842</b>	<b>74,870</b>	<b>77,768</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,721,609</b>	<b>2,191,236</b>	<b>2,222,345</b>	<b>2,072,370</b>	<b>2,444,489</b>	<b>2,444,489</b>	<b>2,444,489</b>	<b>2,749,909</b>	<b>3,008,682</b>	<b>3,217,130</b>

**Table 44 – A10 : Basic Service Delivery**

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		39,880	35,419	34,114	34,797	34,797	34,797	35,493	362,030	36,929
Piped water inside yard (but not in dwelling)		–	1,384	13,994	14,274	14,274	14,274	14,559	14,850	15,147
Using public tap (at least min.service level)	2	4,964	4,463	4,405	1,193	1,193	1,193	1,217	1,241	1,266
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		44,844	41,266	52,513	50,264	50,264	50,264	51,269	378,121	53,342
Using public tap (< min.service level)	3	–	285	162	165	165	165	168	171	174
Other water supply (< min.service level)	4	–	50	878	896	896	896	914	932	651
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	335	1,040	1,061	1,061	1,061	1,082	1,103	825
<b>Total number of households</b>	5	<b>44,844</b>	<b>41,601</b>	<b>53,553</b>	<b>51,325</b>	<b>51,325</b>	<b>51,325</b>	<b>52,351</b>	<b>379,224</b>	<b>54,167</b>
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		44,373	39,620	46,441	47,370	47,370	47,370	48,317	49,283	50,269
Flush toilet (with septic tank)		–	–	4,867	4,964	4,964	4,964	5,063	5,164	5,267
Chemical toilet		151	151	231	236	236	236	241	246	251
Pit toilet (ventilated)		34	–	811	827	827	827	844	861	878
Other toilet provisions (> min.service level)		286	251	1,203	1,227	1,227	1,227	1,252	1,277	1,303
Minimum Service Level and Above sub-total		44,844	40,022	53,553	54,624	54,624	54,624	55,717	56,831	57,968
Bucket toilet		–	35	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	1,416	–	–	–	–	–	–	–
No toilet provisions		–	128	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	1,579	–	–	–	–	–	–	–
<b>Total number of households</b>	5	<b>44,844</b>	<b>41,601</b>	<b>53,553</b>	<b>54,624</b>	<b>54,624</b>	<b>54,624</b>	<b>55,717</b>	<b>56,831</b>	<b>57,968</b>
<b>Energy:</b>										
Electricity (at least min.service level)		1,652	1,465	1,441	1,630	1,630	1,630	1,600	1,570	1,500
Electricity - prepaid (min.service level)		34,728	33,842	34,482	35,098	35,242	35,242	36,757	37,125	37,496
Minimum Service Level and Above sub-total		36,380	35,307	35,923	36,728	36,872	36,872	38,357	38,695	38,996
Electricity (< min.service level)		9,000	–	–	8,672	8,672	8,672	9,442	10,061	10,734
Electricity - prepaid (< min. service level)		–	4,938	4,337	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		9,000	4,938	4,337	8,672	8,672	8,672	9,442	10,061	10,734
<b>Total number of households</b>	5	<b>45,380</b>	<b>40,245</b>	<b>40,260</b>	<b>45,400</b>	<b>45,544</b>	<b>45,544</b>	<b>47,799</b>	<b>48,756</b>	<b>49,730</b>
<b>Refuse:</b>										
Removed at least once a week		42,000	43,500	49,300	43,000	43,000	43,500	43,800	44,500	45,000
Minimum Service Level and Above sub-total		42,000	43,500	49,300	43,000	43,000	43,500	43,800	44,500	45,000
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	3,780	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		3,000	2,544	–	2,544	2,544	2,544	3,999	4,256	4,730
Below Minimum Service Level sub-total		3,000	2,544	–	6,324	2,544	2,544	3,999	4,256	4,730
<b>Total number of households</b>	5	<b>45,000</b>	<b>46,044</b>	<b>49,300</b>	<b>49,324</b>	<b>45,544</b>	<b>46,044</b>	<b>47,799</b>	<b>48,756</b>	<b>49,730</b>
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		32,593	33,447	32,593	33,447	33,447	33,447	35,453	37,580	39,845
Sanitation (free minimum level service)		13,873	14,517	13,873	14,517	14,517	14,517	15,388	16,311	17,290
Electricity/other energy (50kwh per household per month)		13,873	14,517	13,873	14,517	14,517	14,517	15,388	16,311	17,290
Refuse (removed at least once a week)		13,873	14,517	13,873	14,517	14,517	14,517	15,388	16,311	17,290
<b>Cost of Free Basic Services provided (R'000)</b>	8									
Water (6 kilolitres per household per month)		943	1,063	943	1,063	1,063	1,063	1,240	1,445	1,675
Sanitation (free sanitation service)		1,447	1,634	1,447	1,634	1,634	1,634	1,749	1,889	2,003
Electricity/other energy (50kwh per household per month)		382	438	382	438	438	438	746	635	673
Refuse (removed once a week)		1,086	1,293	1,086	1,293	1,293	1,293	1,384	1,495	1,584
<b>Total cost of FBS provided (minimum social package)</b>		<b>3,857</b>	<b>4,428</b>	<b>3,857</b>	<b>4,428</b>	<b>4,428</b>	<b>4,428</b>	<b>5,119</b>	<b>5,464</b>	<b>5,936</b>
<b>Highest level of free service provided</b>										
Property rates (R value threshold)		–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		78	90	–	–	–	–	–	–	–
Electricity (kwh per household per month)		50	50	70	70	70	70	70	50	50
Refuse (average litres per week)		240	240	240	240	240	240	240	240	240
<b>Revenue cost of free services provided (R'000)</b>	9									
Property rates (R15 000 threshold rebate)		–	–	–	–	–	–	–	–	–
Property rates (other exemptions, reductions and rebates)		27,883	29,556	27,883	29,556	29,556	29,556	31,329	33,209	35,201
Water		17,131	20,036	22,732	25,772	25,772	25,772	28,953	32,528	36,531
Sanitation		17,362	19,611	24,348	25,840	25,840	25,840	29,032	32,617	36,644
Electricity/other energy		6,417	7,361	5,563	8,731	8,731	8,731	9,845	11,113	12,036
Refuse		13,027	15,512	19,270	20,454	20,454	20,454	23,409	26,791	30,661
Municipal Housing - rental rebates		9,792	9,792	9,792	9,792	9,792	9,792	9,792	9,792	9,792
Housing - top structure subsidies		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
<b>Total revenue cost of free services provided (total social package)</b>	6	<b>91,612</b>	<b>101,868</b>	<b>109,588</b>	<b>120,144</b>	<b>120,144</b>	<b>120,144</b>	<b>132,360</b>	<b>146,049</b>	<b>160,865</b>

## 2.8 Municipal Manager's Quality Certificate

I, ....., The Municipal Manager of George Municipality hereby certify that the draft annual budget and supporting documentation for the 2014/2015 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the draft budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name .....

Municipal Manager of .....

Signature .....

Date .....